27th June 2014
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PROVIDENCE RESOURCES P.l.c.
(“Providence” or the “Company”)
Preliminary Results
for the year ended 31st December 2013

Providence Resources P.l.c., the Irish oil and gas exploration and appraisal company, whose shares are quoted in London (AIM) and Dublin (ESM), announces its preliminary results for the year ended 31st December 2013.

OPERATIONAL SUMMARY

Throughout 2013, the Company has continued to focus on progressing the multi-well drilling programme offshore Ireland. This is the largest and most comprehensive drilling programme ever undertaken offshore Ireland, representing an investment of over $500 million by Providence and its partners. The programme covers a range of exploration and appraisal/development wells, spread across six different basins. Two wells, Barryroe (2012) and Dunquin (2013), have already been completed and pre-drill operations and planning are underway for the remaining four wells to be drilled at Spanish Point, Dragon, Polaris and Kish Bank.

During 2013, post well analysis of the Barryroe well was completed, with the most notable out turns being the publication of the Netherland, Sewell & Associates, Inc (“NSAI”) resource audit (CPR) on Barryroe, the results from the newly processed 3D seismic data, the announcement of the phased development programme for Barryroe and the launch of the industry-wide farm out campaign, where the Company is currently in negotiations with a number of parties.

In July 2013, the Dunquin North exploration well confirmed the presence of an active oil-prone petroleum system, which has opened up the petroleum prospectivity of the southern Porcupine Basin in general, and the Dunquin South and Drombeg prospects, in particular.

The Company further consolidated its acreage portfolio offshore Ireland, through competitive applications, resulting in the award of the Silverback Licensing Option in the South Celtic Sea Basin and the conversion of the Spanish Point South, Drombeg and Newgrange Licensing Options into Frontier Exploration Licences. Applications were also made for Lease Undertakings for the Helvick, Hook Head and Dunmore oil discoveries.

The Company has continued to attract new partners to offshore Ireland, most notably with the arrival of Cairn Energy as Operator at Spanish Point and ABT Oil and Gas agreeing a staged farm in to Helvick and Dunmore.

In June 2014, the Company entered into a new financing facility for US$ 24 million with Melody Business Finance LLC. This facility, which matures in June 2015, provides additional general working capital to finance the forward programme of the Company.

HIGHLIGHTS

APPRAISAL ASSETS

Barryroe Oil Project, North Celtic Sea Basin (PVR 80%)

- Publication of NSAI Competent Person's Report
    - 2C Recoverable Resources of 346 MMBOE
        - 311 MMBO & 207 BCF gas in solution (or 34.5 MMBOE)
    - 2C Financials (after tax) attributable to Providence
        - Net contingent cash-flow of $10.6 billion
        - NPV 10% of $2.6 billion
- Final reprocessed 3D seismic data received
- Phased Development Outline
    - Targeting an initial peak of 30,000 BOPD
- Increase in the area of SEL 1/11 by c. 160 km^2 through a licence extension
- Commencement of industry-wide farm-out process
    - Currently in negotiations with a number of parties

Spanish Point Gas/Oil Project, Northern Porcupine Basin (PVR 32%)

- Farm in by Cairn Energy Plc, who assumed an operated 38% equity interest
- Appraisal drilling to be carried out on Spanish Point, targeting up to 200 MMBOE REC
    - In accordance with its original farm-out with Chrysaor, Providence has a capped exposure of up to $20 million

Dragon Gas Project, St George's Channel (PVR 100%)

- Discussions ongoing with UK/Irish government regulators on potential field development, including the consent process for the drilling of a development well
- 3D PSDM seismic reprocessing commenced as part of work programme leading to Final Investment Decision (FID)
- Commercial discussions with potential partners ongoing

Helvick/Dunmore Oil Discoveries, North Celtic Sea Basin (PVR 62.5% and 72.5%, respectively)

- Application made for Lease Undertakings
- Farm out (on staged basis) agreed with ABT Oil and Gas to advance these projects to commercialisation

Hook Head Oil Discovery, North Celtic Sea Basin (PVR 72.5%)

- Application made for a Lease Undertaking

EXPLORATION ASSETS

Dunquin Oil Prospect, Southern Porcupine Basin (PVR 16%)

- Completion of drilling of Dunquin North well
- Massive over-pressured, high porosity carbonate reservoir encountered close to prognosis, with interpreted 144' residual oil column
- Second phase of Frontier Exploration Licence 3/04 extended by 12 months to November 2014 to allow further studies

Cuchulain Oil Prospects, Southern Porcupine Basin (PVR 5%)

- Incorporation of recent 44/23-1 Dunquin North well data into subsurface geological modelling

Drombeg Oil Prospect, Southern Porcupine Basin (PVR 80%)

- Conversion of Drombeg Licensing Option 11/9 into Frontier Exploration Licence 2/14
- Agreement to shoot a major 3D seismic survey over the Drombeg prospect as part of Polarcus' multi-client 2014 programme

Newgrange Oil Prospect, Goban Spur Basin (80%)

- Conversion of Newgrange Licensing Option 11/11 into Frontier Exploration Licence 6/14 with a 2D seismic survey as the principal element of the forward work programme

Spanish Point South, Oil & Gas Prospects, Northern Porcupine Basin (PVR 32%)

- Conversion of Licencing Option 11/2 into Frontier Exploration Licence 1/14 with a 3D seismic survey as the principal element of the forward work programme

Silverback Oil Prospect, South Celtic Sea Basin (PVR 100%)

- Award of new Licensing Option 13/4
- Initial seismic interpretation and mapping of existing vintage 2D data has identified a number of structures, including a significant mid-basinal Mesozoic anticlinal closure, named 'Silverback'
- Petroleum systems analysis suggest that this structure may be prospective for the stacked entrapment of hydrocarbons in possible Lower Triassic, Lower Jurassic and Lower Cretaceous reservoir intervals

Polaris Oil Prospect, Rathlin Basin (PVR 100%)

- Subsurface mapping indicates that the Polaris structure is geologically on-trend with the recent Ballinlea-1 oil discovery onshore Northern Ireland
- Five anomalies have been identified in the offshore acreage, based on Full Tensor Gradiometry (FTG) Data, with the Polaris oil prospect in the Rathlin Sound highlighted as the main target
- A further Ballinlea oil appraisal well with EWT programme is planned for early 2015 by the Operator and the results of this should significantly de-risk the Polaris prospect

Kish Bank Oil Prospect, Kish Bank Basin (PVR 50%)

- Continual work with regulators on the consent for the drilling of a well on the Kish Bank oil prospect

As would be standard, all planned drilling, site and seismic activities are based on relevant permit requirements and appropriate equipment availability/procurement.

FINANCIAL RESULTS – YEAR END 2013

- Following the divestment of the UK onshore operations in 2012 and sale completion in February 2013, the Company has revenue for two months, which is classified in discontinued operations.
- For the year to 31 December 2013, the Company recorded an operating loss of €7.230 million compared to a loss of €5.432 million in 2012, as a result of higher administration expenses directly related to an increased level of activity across its portfolio.
- The loss for the year attributable to equity holders was reduced to €2.797 million (loss of €24.184 million in 2012), with a net credit of €4.971 million in 2013 attributed to the profit from the sale of the UK onshore operations (net of income tax).
- The loss per share was 4.33 cents compared to a loss of 39.68 cents in 2012.
- At 31 December 2013, cash and cash equivalents were €8.998 million.
- In June 2014, the Company entered into a US$ 24 million general working capital facility with Melody Business Finance LLC, a US based financial provider.

Commenting on activity during 2013 and the future plans offshore Ireland for 2014 and beyond, Tony O'Reilly, Chief Executive of Providence, said:

"2013 has been a very busy year for the Company with plenty of activity across the portfolio of assets.

"Following the Company's drilling success at Barryroe in 2012, the Company's main focus has been on the commissioning of a third party resource audit, its publication and conducting a farm-out process. Through this process, we are working to affiliate with an appropriate strategic partner to take the field through detailed appraisal and, ultimately, into production.

"Overall, the farm out and M&A market in the oil and gas sector remains challenging, with caution evident across the sector. The majority of world-wide oil and gas investments and M&A deals have been concluded either in the North American shale gas and oil sector or in the East African region with very few major farm out deals being completed in the North-West European sector over the past year.

"In light of the marked reduction in capital expenditure programmes by major industry players, the Company revised its field development plans, with an initial focus on an early staged development programme for Barryroe building up to full field development (with projected ultimate production rates of up to 100,000 BOPD). This phased development programme is targeting an initial production profile of 30,000 BOPD, with substantially reduced initial capital expenditure and an accelerated timeline to get to first oil.

"This phased approach has been well received and the Company is now in advanced discussions with a select number of international E&P companies on terms. The Company is encouraged by these active negotiations, but until a deal is concluded, there can be no certainty on timing for a mutually acceptable agreement or that an agreement will be reached.

"In addition to work on Barryroe, activity continued on the preparatory work for the remaining four wells in our multi-basin drilling programme. The next planned drilling activity is the Spanish Point appraisal well, operated by Cairn, which is targeting up to 200 MMBOE REC. This is to be followed by a gas appraisal and development well at Dragon and, subsequently, oil exploration wells at Polaris and Kish Bank.

"Whilst the results from the Dunquin North well are still the subject of extensive post well studies, we are very encouraged by the data received so far. As this was the first well to be drilled in the south Porcupine Basin, which is an area the size of the northern North Sea, we believe that the confirmation of a residual oil column in a high porosity massive carbonate reservoir system has acted as both a significant play and basin opener. This has major implications for the other carbonate build up contained within Frontier Exploration Licence 3/04, Dunquin South, and further work is being carried out to better evaluate this very large prospect. Importantly, the confirmation of a working oil-prone petroleum system in the Porcupine Basin has vindicated our licensing strategy, where we were the first mover when we secured acreage back in 2004.

"Kosmos Energy, a recent entrant to Ireland, who completed a major 3D survey in the south Porcupine Basin, has stated that they see the potential for large fan play systems in this area, similar to the Drombeg prospect operated by Providence. In addition, the giant Statoil-operated Bay du Nord oil discovery in the Flemish Pass Basin, offshore Canada, which is considered to have been geologically on-trend with the south Porcupine Basin, adds further impetus for future exploration in the area. As the largest acreage holder in the southern Porcupine Basin, with interests in Dunquin, Cuchulain, Newgrange and Drombeg, we are exceptionally well placed to capitalise on this growing industry interest in an area now being referred to as the 'North Atlantic Jurassic oil source-rock superhighway'.

"As part of its strategy to open up new basins, the Company expanded its acreage portfolio with the award of a Licensing Option in the South Celtic Sea, containing the Silverback oil prospect, a very large mid-basinal

Mesozoic anticlinal closure. Standard Exploration Licence 1/11, which contains the Barryroe discovery, was increased in size by an additional 160 km^2 to cater for the potential increase in the size of the field. The Company also converted its Spanish Point South, Drombeg and Newgrange Licensing Options into Frontier Exploration Licences and is now planning the acquisition of new seismic over these areas. During 2013, the Company concluded a staged farm out with ABT Oil and Gas covering the Helvick and Dunmore oil discoveries. This farm out deal will see these marginal oil accumulations progressed towards development using newly emerging and innovative low cost production technologies.

"The recent securing of a new bridge financing facility of US$ 24 million was another significant development for Providence as it provides the Company with the additional working capital for its operations, without having to access the equity markets. This is an important step forward, given the current values for oil and gas equities (as listed on London's AIM) being at historically low values based on NAV metrics.

"As the most active operator offshore Ireland, partnerships has always been a key part of our strategy. Today we work with a number of leading international co-venture companies - including ExxonMobil, ENI, PETRONAS and Repsol - and this year we were pleased to welcome Cairn Energy Plc into our Spanish Point consortium and ABT Oil and Gas into Helvick and Dunmore. These top tier partners bring both technical capabilities and financial support, which allow us to move forward with our extensive programme. We fully expect to add new companies to our family of international partners in the future. The arrival of other companies, such as Woodside and Kosmos, to offshore Ireland during 2013 was another positive development for the industry, which we hope will lead to more drilling activity offshore Ireland.

"Ireland's offshore oil and gas sector is growing at the fastest pace in years. Providence's leadership position, combined with the entry of an increasing number of new industry players, means that Ireland can now look to develop a meaningful oil and gas industry. It is notable that 2013/14 has seen the highest level of licence activity offshore Ireland and this obviously bodes well for the upcoming Atlantic Margin Licensing Round, which was announced earlier this month. Providence plans to be a major player in this upcoming licensing round. On the same day, the Irish Government also announced new fiscal terms for the industry. The clarity and certainty that now exists in relation to Ireland's fiscal terms will make it easier for international companies to participate in this upcoming licencing round. We welcome the Irish Government's decision that the fiscal terms will not be changed for existing licences.

"Looking ahead, we are optimistic for the prospects for the Irish oil and gas sector. Providence fully intends to carry on leading the way on behalf of shareholders in identifying and realising the significant potential that exists offshore Ireland."

Tony O'Reilly **27th June 2014**
Chief Executive

CONFERENCE CALL

A conference call for investors and analysts will be held at 9am BST today, Friday 27 June.
Please see below details for the call:

- Ireland Local Dublin: +353 (0) 1 436 0959
- Standard International Access: +44 (0) 20 3003 2666
- UK Toll Free: 0808 109 0700
- Password: Providence

To view the presentation sides, please go to www.meetingzone.com/presenter/ and use the following PIN: 3185546

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TERMS USED IN THIS ANNOUNCEMENT

MMBO – Million Barrels of Oil	MMBOE - Million Barrels of Oil Equivalent
BCF – Billion Cubic Feet of Gas	BOPD – Barrels of Oil Per Day

ABOUT PROVIDENCE

Providence Resources Plc is an Irish based oil & gas company with a portfolio of appraisal and exploration assets offshore Ireland and the U.K. The Company is currently leading a circa $500 million multi-year drilling programme on a number of exploration/development wells over 6 different basins offshore Ireland, representing the largest drilling campaign ever carried out offshore Ireland www.providenceresources.com.

ANNOUNCEMENT

This announcement has been reviewed by John O'Sullivan, Technical Director, Providence Resources P.l.c. John holds a B.Sc. in Geology from University College Cork, Ireland, an M.Sc. in Applied Geophysics from the National University of Ireland, Galway and a M.Sc.in Technology Management from The Smurfit School of Business at University College Dublin. John is presently working part-time on a PhD dissertation at Trinity College, Dublin. John has worked in the offshore business for 20 years and is a fellow of the Geological Society of London and member of The Petroleum Exploration Society of Great Britain. 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.

PROVIDENCE RESOURCES P.l.c.

Condensed consolidated income statement

For the year ended 31 December 2013

	Notes	Year ended 31 December 2013 Audited €'000	Year ended 31 December 2012 Audited €'000
Revenue – continuing operations	1	-	-
Administration expenses		(6,484)	(3,937)
Pre-licence expenditure		(68)	-
Impairment of exploration, and evaluation assets		(678)	(1,495)
Operating loss	1	(7,230)	(5,432)
Finance income		180	494
Finance expense	3	(713)	(3,295)
Loss before income tax		(7,763)	(8,233)
Income tax expense		(5)	-
Loss for the year from continuing operations		(7,768)	(8,233)
Profit/(loss) from discontinued operations (net of income tax)	2	4,971	(15,950)
Loss for the financial year		(2,797)	(24,183)
Loss per share (cent) – continuing operations			
Basic loss per share	8	(12.03)	(13.51)
Diluted loss per share	8	(12.03)	(13.51)
Earnings/(loss) per share (cent) – discontinued operations			
Basic earnings/(loss) per share	8	7.70	(26.17)
Diluted profit/(loss) per share	8	7.70	(26.17)
Loss per share (cent) – total			
Basic loss per share	8	(4.33)	(39.68)
Diluted loss per share	8	(4.33)	(39.68)

The total loss for the year is entirely attributable to equity holders of the Company.

PROVIDENCE RESOURCES P.l.c.

Consolidated statement of comprehensive income

For the year ended 31 December 2013

	Year ended 31 December 2013 Audited €'000	Year ended 31 December 2012 Audited €'000
Loss for the financial year	**(2,797)**	**(24,183)**
Continuing operations		
OCI items that can be reclassified into profit and loss		
Foreign exchange translation differences	**1,426**	**(97)**
Net change in fair value of cash flow hedges transferred to income statement	**-**	**2,305**
Cashflow hedges – net fair value loss	**-**	**-**
- related deferred tax	**-**	**3,407**
Total income recognised in other comprehensive income from continuing operations	**1,426**	**5,615**
Total comprehensive expense for the year	**(1,371)**	**(18,568)**

The total comprehensive 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 31 December 2013

	Notes	31 December 2013 Audited €'000	31 December 2012 Audited €'000
Assets			
Exploration and evaluation assets	4	80,089	67,076
Development and production assets	5	-	-
Property, plant and equipment		35	42
Deferred tax		-	-
Total non-current assets		80,124	67,118
Trade and other receivables		2,891	4,005
Restricted cash		-	-
Cash and cash equivalents		8,998	16,831
Assets classified as held for sale	2	-	43,852
Total currents assets		11,889	64,688
Total assets		92,013	131,806
Equity			
Share capital	6	18,151	18,136
Capital conversion reserve fund		623	623
Share premium	6	210,230	209,975
Singleton revaluation reserve		-	2,471
Convertible bond – equity portion		-	-
Foreign currency translation reserve		2,386	(3,752)
Share based payment reserve		5,382	4,942
Warrant reserve		-	-
Cashflow hedge reserve		-	-
Retained deficit		(165,950)	(164,297)
Total equity attributable to equity holders of the Company		70,822	68,098
Liabilities			
Loans and borrowings	7	-	-
Decommissioning provision		5,105	4,738
Deferred tax		-	-
Total non-current liabilities		5,105	4,738
Trade and other payables		16,086	23,445
Loans and borrowings	7	-	-
Loans and borrowings – prepaid swap	7	-	-
Liabilities classified as held sale	2	-	35,525
Total current liabilities		16,086	58,970
Total liabilities		21,191	63,708
Total equity and liabilities		92,013	131,806

PROVIDENCE RESOURCES P.l.c.

Consolidated statement of changes in Equity

For the year ended 31 December 2013

	Share Capital €'000	Capital Conversion Reserve Fund €'000	Share Premium €'000	Singleton Revaluation Reserve €'000	Foreign Currency Translation Reserve €'000	Share Based Payment Reserve €'000	Warrants €'000	Convertible Bond – equity portion €'000	Cashflow Hedge Reserve €'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**
Total comprehensive income											
Loss for financial year	-	-	-	-	-	-	-	-	-	(24,183)	**(24,183)**
Currency translation	-	-	-	-	(97)	-	-	-	-	-	**(97)**
Cashflow hedge	-	-	-	-	-	-	-	-	2,305	-	**2,305**
Total comprehensive income	-	-	-	-	(97)	-	-	-	2,305	(24,183)	**(21,975)**
Transactions with owners, recorded directly in equity											
Shares issued in year	1,314	-	72,415	-	-	-	-	-	-	-	**73,729**
Share based payments	-	-	-	-	-	1,301	-	-	-	-	**1,301**
Share options exercised in year	14	-	252	-	-	(238)	-	-	-	238	**266**
Share options forfeited in year	-	-	-	-	-	(489)	-	-	-	489	**-**
Transfer from Singleton revaluation reserve	-	-	-	(179)	-	-	-	-	-	179	**-**
Exercise of warrants	140	-	6,760	-	-	-	(5,641)	-	-	5,641	**6,900**
Bond redemption	-	-	-	-	-	-	-	(2,333)	-	2,333	**-**
At 31 December 2012	**18,136**	**623**	**209,975**	**2,471**	**(3,752)**	**4,942**	**-**	**-**	**-**	**(164,297)**	**68,098**
At 1 January 2013	**18,136**	**623**	**209,975**	**2,471**	**(3,752)**	**4,942**	**-**	**-**	**-**	**(164,297)**	**68,098**
Total comprehensive income											
Loss for financial year	-	-	-	-	-	-	-	-	-	(2,797)	**(2,797)**
Currency translation	-	-	-	-	1,426	-	-	-	-	-	**1,426**
Cashflow hedge	-	-	-	-	-	-	-	-	-	-	**-**
Total comprehensive income	-	-	-	-	1,426	-	-	-	-	(2,797)	**(1,371)**
Transactions with owners, recorded directly in equity											
Shares issued in year	-	-	-	-	-	-	-	-	-	-	**-**
Share based payments	-	-	-	-	-	1,584	-	-	-	-	**1,584**
Share options exercised in year	15	-	255	-	-	-	-	-	-	-	**270**
Share options forfeited in year	-	-	-	-	-	(217)	-	-	-	217	**-**
Share options lapsed in year	-	-	-	-	-	(927)	-	-	-	927	**-**
Reclassified to gain on disposal	-	-	-	(2,471)	4,712	-	-	-	-	-	**2,241**
At 31 December 2013	**18,151**	**623**	**210,230**	**-**	**2,386**	**5,382**	**-**	**-**	**-**	**(165,950)**	**70,822**

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Consolidated statement of cash flows

For the year ended 31 December 2013

	Year ended 31 December 2013	Year ended 31 December 2012
	Audited	**Audited**
	€'000	**€'000**
Cash flows from operating activities		
Loss before income tax for year – continuing operations	**(7,763)**	**(8,233)**
Profit/(loss) before income tax for the year – discontinued operations	**4,971**	**(36,524)**
	(2,792)	**(44,757)**
Adjustments for:		
Depletion and depreciation	**272**	**2,755**
Gain on sale of discontinued operations	**(6,096)**	**-**
Abandonment provision	**(379)**	**34**
Impairment of exploration and evaluation assets	**678**	**1,495**
Impairment of production and development assets	**-**	**32,357**
Finance income	**(180)**	**(494)**
Finance expense	**3,455**	**16,369**
Equity settled share based payment charge	**1,584**	**1,247**
Foreign exchange	**101**	**(507)**
Change in trade and other receivables	**2,907**	**(3,782)**
Change in trade and other payables	**(8,869)**	**(2,696)**
Interest paid	**(363)**	**(6,712)**
Hedge repayments	**(33)**	**(297)**
Net cash outflow from operating activities	**(9,715)**	**(4,988)**
Cash flows from investing activities		
Interest received	**180**	**494**
Acquisition of exploration and evaluation assets	**(13,691)**	**(31,755)**
Acquisition of development and production assets	**-**	**(27,202)**
Acquisition of property, plant and equipment	**(14)**	**(38)**
Disposal of development and production assets - AJE	**-**	**4,610**
Change in restricted cash	**910**	**16,581**
Disposal of development and production assets - Singleton	**16,235**	**-**
Net cash from investing activities	**3,620**	**(37,310)**
Cash flows from financing activities		
Proceeds from issue of share capital	**270**	**84,797**
Share capital issue costs	**-**	**(3,902)**
Repayment of loans and borrowings	**(1,565)**	**(44,273)**
Proceeds from drawdown of loans and borrowings	**-**	**4,077**
Net cash from financing activities	**(1,295)**	**40,699**
Net decrease in cash and cash equivalents	**(7,390)**	**(1,599)**
Cash and cash equivalents at 1 January	**16,831**	**18,563**
Effect of exchange rate fluctuations on cash and cash equivalents	**(443)**	**(133)**
Cash and cash equivalents at 31 December	**8,998**	**16,831**

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Note 1
Operating segments

All revenue is generated from assets in the UK, and is included in discontinued operations.

	Year ended 31 December 2013	Year ended 31 December 2012
	Audited	**Audited**
	€'000	**€'000**
Segment net loss for the period		
Republic of Ireland – exploration assets	(678)	(1,495)
Corporate expenses	(6,552)	(3,937)
Operating loss	(7,230)	(5,432)
Segment assets		
UK – production assets – discontinued operations	-	43,852
UK – exploration assets	1,141	933
Republic of Ireland – exploration assets	78,948	69,129
US	189	155
Group assets	11,735	17,737
Total assets	92,013	131,806
Segment Liabilities		
UK – production assets – discontinued operations	-	(35,525)
UK – exploration assets	(74)	-
Republic of Ireland – exploration assets	(21,047)	(27,183)
US - liabilities	(7)	(252)
Group liabilities	(63)	(748)
Total Liabilities	(21,191)	(63,708)
Capital Expenditure		
UK – producing assets – discontinued operations	-	27,202
UK – exploration assets	367	774
	367	27,976
Republic of Ireland – exploration assets	13,324	30,981
Republic of Ireland - property, plant and equipment	14	38
Total capital expenditure, net of cash calls	**13,705**	**58,995**
Depletion and decommissioning charge		
UK – producing assets - discontinued operations	-	2,727
Republic of Ireland – exploration assets	-	34
	-	2,761
Impairment charge		
Republic of Ireland – exploration assets	678	1,495
UK – development assets - discontinued operations	-	32,357
	678	33,852

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Note 2
Discontinued Operations

Held for sale assets and liabilities
UK disposal – 28th February 2013 and comparative figures as at 31 December 2012.

	2013	2012
	Audited	Audited
Assets	**€'000**	€'000
Development and production assets	**39,637**	38,986
Derivative instruments	**1,411**	2,163
Trade and other receivables	**1,779**	1,793
Cash and cash equivalents	**1,425**	910
	44,252	43,852
Liabilities		
Loans and borrowings	**31,918**	31,725
Decommissioning provision	**822**	869
Deferred tax	**1,733**	1,421
Trade and other payables	**1,881**	1,510
	36,354	35,525

Gain on sale of discontinued operations – UK disposal

	€'000
Net proceeds received	**17,028**
Disposal costs	**(793)**
	16,235
Net assets disposed of	**7,898**
Transfer from revaluation reserve	**(2,471)**
Transfer from FCTR	**4,712**
	10,139
Gain on sale of discontinued operation	**6,096**

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Note 2
Discontinued Operations - continued

The gain on sale of discontinued operations – UK disposal

	Year ended 31 December 2013	Year ended 31 December 2012
	Audited	**Audited**
	€'000	**€'000**
Results of discontinued operations		
Revenue	**2,411**	15,642
Cost of sales	**(615)**	(5,455)
Gross profit	**1,796**	**10,187**
Administration expenses	**(179)**	(1,280)
Impairment of assets	**-**	(32,357)
Results from operating activities	**1,617**	**(23,450)**
Finance expense	**(2,742)**	(13,074)
Results from operating activities before tax	**(1,125)**	(36,524)
Income tax credit/(charge)	**-**	20,574
Results from operating activities after tax	**(1,125)**	(15,950)
Gain on sale of discontinued operations	**6,096**	-
Profit / (loss) for the year	**4,971**	(15,950)
Cashflows from discontinued operations		
Net cash from operating activities	**1,772**	9,726
Net cash from investing activities	**-**	(27,202)
Net cash from financing activities	**(1,565)**	(5,931)
Net cash flows for the year	**207**	(23,407)

The profit/(loss) from discontinued operations is attributable entirely to the owners of the company. The results for 2013 represent two months of activity.

Earnings per share from discontinued operations

	2013	**2012**
	€ cent	**€ cent**
Basic earnings / (loss) per share	**7.70**	**(26.17)**
Diluted earnings / (loss) per share	**7.70**	**(26.17)**

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

	Year ended 31 December 2013	Year ended 31 December 2012
	Audited	**Audited**
	€'000	**€'000**
Recognised in income statement:		
Interest expense on financial liabilities – measured at amortised cost	-	3,021
Unwinding of discount on decommissioning provision	713	274
Total	**713**	**3,295**
Recognised directly in other comprehensive income		
Foreign currency differences on foreign operations	6,138	(97)
Reclassified to gain on disposal	(4,172)	-
Net change in fair value of cashflow hedge transferred to income statement	-	2,305
Total finance expense	**1,426**	**2,208**

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

	Republic of Ireland	UK	Total
	€'000	**€'000**	**€'000**
Cost and book value			
At 1 January 2012	36,214	-	36,214
Additions	35,344	551	35,895
Administration expenses	1,144	223	1,367
Cash calls received in year	(5,507)	-	(5,507)
Impairment charge	(1,495)	-	(1,495)
Increase in abandonment costs	602	-	602
At 31 December 2012	**66,302**	**774**	**67,076**
At 31 December 2012	66,302	774	67,076
Additions	13,006	127	13,133
Cash calls received in year	(1,199)	-	(1,199)
Administration expenses	1,517	240	1,757
Impairment charge	(678)	-	(678)
At 31 December 2013	**78,948**	**1,141**	**80,089**

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

	UK	Total
	€'000	**€'000**
Cost		
At 1 January 2012	61,833	61,833
Additions	27,144	27,144
Administration expenses	58	58
Transfer to assets held for sale	(90,282)	(90,282)
Exchange rate adjustment	1,247	1,247
At 31 December 2012	**-**	**-**
Additions	-	-
Administration expenses	-	-
Transfer to held for sale assets	-	-
Exchange rate adjustment	-	-
At 31 December 2013	**-**	**-**
Depletion		
At 1 January 2012	15,674	15,674
Charge for the year	2,727	2,727
Impairment of assets	32,357	32,357
Transfer to assets held for sale	(51,296)	(51,296)
Exchange rate adjustment	538	538
At 31 December 2012	**-**	**-**
Charge for the period	-	-
Impairment of assets	-	-
Transfer to held for sale assets	-	-
Exchange rate adjustment	-	-
At 31 December 2013	**-**	**-**
Net book value		
At 31 December 2013	**-**	**-**
At 31 December 2012	**-**	**-**

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

		Number	
Authorised:		‘000	€’000
At 1 January and 31 December 2012			
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’s	€’000	€’000
Deferred shares of €0.011 each	1,062,442	11,687	5,691
Ordinary share of €0.10 each	49,809	16,668	130,548
At 1 January 2012	49,809	16,668	130,548
Ordinary shares issued in year	13,149	1,314	76,317
Share issue costs	-	-	(3,902)
Share options exercised in year	140	14	252
Warrants exercised in year	1,400	140	6,760
At 31 December 2012	**64,498**	**18,136**	**209,975**
Ordinary shares issued in year	-	-	-
Share issue costs	-	-	-
Share options exercised in year	151	15	255
At 31 December 2013	**64,649**	**18,151**	**210,230**

During the year, 0.15 million ordinary shares were issued to employees on the exercise of share options for a consideration of €0.27 million.

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

	Deutsche bank loan facility	Deutsche bank loan fees	Convertible Bond	Total
	€'000	**€'000**	**€'000**	**€'000**
At 1 January 2012	39,151	(786)	33,447	71,812
Drawn down in year	4,077	-	-	4,077
Repaid during year	(10,008)	-	(34,265)	(44,273)
Written off to income statement	-	135	818	953
Foreign exchange difference	(825)	(19)	-	(844)
Transfer to held for sale liabilities	(32,395)	670	-	(31,725)
At 31 December 2012	**-**	**-**	**-**	**-**
Repaid during year	-	-	-	-
Drawn down in year	-	-	-	-
Written off to income statement	-	-	-	-
Foreign exchange difference	-	-	-	-
Transfer to held for sale liabilities	-	-	-	-
At 31 December 2013	**-**	**-**	**-**	**-**

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

	31 December 2013	31 December 2013	31 December 2013	31 December 2012	31 December 2012	31 December 2012
	Audited	**Audited**	**Audited**	**Audited**	**Audited**	**Audited**
	Continuing operations	**Discontinued operations**	**Total**	**Continuing operations**	**Discontinued operations**	**Total**
(Loss) / profit attributable to equity holders of the company from continuing operations (€'000)	**(7,768)**	**4,971**	**(2,797)**	(8,233)	(15,950)	(24,183)
The basic weighted average number of ordinary shares in issue						
In issue at beginning of year ('000s)	**64,498**	**64,498**	**64,498**	49,809	49,809	49,809
Adjustment for shares issued in year ('000s)	**64**	**64**	**64**	11,145	11,145	11,145
Weighted average number of ordinary shares ('000s)	**64,562**	**64,562**	**64,562**	60,953	60,953	60,953
Basic and diluted (loss) / earnings per share (cent)	**(12.03)**	**7.70**	**(4.33)**	(13.51)	(26.17)	(39.68)

There is no difference between the loss per ordinary share and the diluted loss per ordinary 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, has, through Kildare Consulting Limited, a company beneficially owned by him, a contract for the provision of service to the company outside the Republic of Ireland effective 1 September 2013. The amount paid under the contract in the year ended 31 December 2013 was €448,500. The contract 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 €27.7m to contribute to its share of costs of exploration and evaluation activities during 2014 of which Spanish Point drilling is approximately €16m.