

30 April 2010



PROVIDENCE RESOURCES P.I.c.

(“Providence” or the “Company”)

Annual Report and Proposed Capital Reorganisation

Providence Resources P.I.c., the Irish oil and gas exploration and production company, whose shares are listed in London (AIM) and Dublin (IEX), is today posting its Annual Report for the year ended 31 December 2009 together with a Notice of AGM to Shareholders. The AGM is convened to be held in The Westbury Hotel, Grafton Street, Dublin 2 at 11.00 am on 26 May 2010.

The Company is also posting a circular containing a Notice of EGM in connection with a proposed reorganisation of its share capital to all Shareholders. The Capital Reorganisation comprises firstly a consolidation of the Existing Ordinary Shares (and also the authorized but unissued existing Ordinary Shares) and secondly a Subdivision of the Consolidated Shares to create the New Ordinary Shares.

An Extraordinary General Meeting has also been convened for 26 May 2010 at The Westbury Hotel, Grafton Street, Dublin 2 (immediately following the AGM convened for 11:00am), at which Shareholder approval will be sought for the Capital Reorganisation.

Pursuant to Rule 20 of the AIM Rules and Rule 20 of the IEX Rules, the Annual Report, the Notice of AGM and the Circular containing the Notice of EGM are available at www.providenceresources.com.

Capital Reorganisation

Consolidation

It is proposed that with effect from the Record Date every 1,000 Existing Ordinary Shares of nominal value €0.001 each will be consolidated into 1 Consolidated Share of nominal value €1.00 each. Treatment of fractional entitlements is outlined under ‘*Effect of Capital Reorganisation*’ below.

Subdivision

Following the Consolidation it is proposed that every Consolidated Share be subdivided into 10 New Ordinary Shares of nominal value €0.10 each.

Effect of Capital Reorganisation

The effect of the Capital Reorganisation is to reduce the number of Ordinary Shares in issue by a multiple of approximately 100 and, accordingly, assuming normal market conditions, to increase the price at which the New Ordinary Shares will trade to approximately 100 times the value at which the Existing Ordinary Shares currently trade.

The Directors anticipate that the Capital Reorganisation, if approved, will reduce the number of Shareholders from the present level of 24,223 to 13,894, thus easing the administrative burden on the Company and reducing the associated cost whilst at the same time providing Shareholders who hold small shareholdings with a means of selling their Existing Ordinary Shares free of normal individual dealing expenses.

Shareholders should be aware that if they hold fewer than 1,000 Existing Ordinary Shares they would not be entitled to receive any New Ordinary Shares should the Capital Reorganisation become effective and as a result would lose their entire shareholding. In accordance with the Articles of Association, fractional entitlements arising following the consolidation of shareholdings of less than 1,000 Existing Ordinary Shares, and the balance of larger shareholdings not evenly divisible by 1,000, would be aggregated and sold in the market with the net proceeds, after expenses, being dispatched to Shareholders in due proportion to their holdings of Existing Ordinary Shares, save that any amounts below €3.00 would be donated to charity. The Board believes that the shareholdings thus affected, which, based on the Closing Price of an Ordinary Share on the Latest Practicable Date, have a maximum aggregate value of less than €39.96 each, are too small to be considered economic.

For example, save in circumstances where the net proceeds do not exceed €3.00, Shareholders holding fewer than 1,000 Existing Ordinary Shares on the Record Date would receive a cash payment representing the proceeds of the sale of their fractional entitlements on market less the expenses of sale. These expenses of sale (broker commissions) would be significantly less than that which would apply to an individual Shareholder disposing of his shareholding.

Holders of more than 1,000 Existing Ordinary Shares on the Record Date but whose shareholding is not exactly divisible by 1,000 on the Record Date would, save in circumstances where the net proceeds do not exceed €3.00, receive a cash payment representing the proceeds of the sale of their fractional entitlements on market less the expenses of sale. Again these expenses of sale (broker commissions) would be significantly less than that which would apply to an individual Shareholder disposing of a part of his shareholding.

The expected timetable of principal events is set out in Appendix I to this announcement.

EGM

In order to approve the Capital Reorganisation, an Extraordinary General Meeting has been convened on 26 May 2010 (immediately following the AGM convened for 11:00am), at which Shareholder approval will be sought for the Resolutions. As set out above, the circular detailing the Capital Reorganisation and containing the notice of EGM is today being posted to Shareholders.

Admission

Application will be made to the London Stock Exchange and to the Irish Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM and IEX respectively and, conditional on the approval of the Capital Reorganisation by Shareholders at the EGM, it is expected that dealings in the New Ordinary Shares will commence at 8 a.m. on 27 May 2010. The ISIN for the New Ordinary Shares will be IE00B66B5T26 and the Company's existing ISIN will be cancelled from 8:00am on 27 May 2010.

Following the Capital Reorganisation the Company will have 33,711,890 voting Ordinary Shares in issue.

Definitions herein shall have the same meanings as defined in the circular posted to Shareholders on 30 April 2010 and which is available on the Company's website – www.providenceresources.com

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About Providence

Providence Resources Plc is an independent oil and gas exploration and production company listed on the AIM market in London and on Dublin's IEX market. Providence's active oil and gas portfolio includes interests in Ireland, the United Kingdom, the United States (Gulf of Mexico) and West Africa (Nigeria). Providence's portfolio is balanced between production, appraisal and exploration assets, as well as being diversified geographically. Further information on Providence and its oil and gas portfolio, including Annual Reports are available from Providence's website at www.providenceresources.com

APPENDIX I

EXPECTED TIMETABLE OF PRINCIPAL EVENTS⁽¹⁾

Latest time and date for receipt of Forms of Proxy in respect of AGM	11.00 a.m. on 24 May 2010
Latest time and date for receipt of Forms of Proxy in respect of EGM	11.00 a.m. on 24 May 2010
Annual General Meeting	11.00 a.m. on 26 May 2010
Extraordinary General Meeting	immediately following the AGM convened for 11.00a.m. on 26 May 2010
Cessation of dealing in the Existing Ordinary Shares	close of business on 26 May 2010
Record Date for the Capital Reorganisation	5.00 p.m. on 26 May 2010
Commencement of dealing in the New Ordinary Shares	start of business on 27 May 2010
CREST accounts credited with New Ordinary Shares	27 May 2010
Despatch of Fraction Cheques	on or before 8 June 2010
Despatch of share certificates in respect of New Ordinary Shares to non-CREST Shareholders	on or before 8 June 2010

NOTES

(1) Unless otherwise stated, all references in this document are to Dublin time. The dates given are based on the Directors expectations and may be subject to change. Any change to the timetable will be notified to the Irish Stock Exchange, the London Stock Exchange and to the market via a regulatory announcement.