

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or what action you should take, you are recommended to immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser (being in the case of persons resident in Ireland, an organisation or firm authorised under the European Communities (Markets in Financial Instruments) Regulations, 2007 (Nos. 1 to 3) or authorised or exempted pursuant to the Investment Intermediaries Act, 1995 (as amended) and, in the case of persons resident in the United Kingdom, an organisation or firm authorised pursuant to the Financial Services and Markets Act 2000 of the United Kingdom (“FSMA”) and if you are not so resident from another appropriately authorised independent financial advisor).**

If you have sold or otherwise transferred all of your Ordinary Shares, please immediately forward this document, together with the enclosed Form of Proxy, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately except that such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations, including, but not limited to, the United States or any of the Excluded Territories. The distribution of this document and/or any accompanying documents into jurisdictions other than Ireland and the United Kingdom may be restricted by law and therefore persons into whose possession this document and/or any accompanying documents come should inform themselves about and observe any such restrictions.

This document does not constitute or contain an offer to sell, or a solicitation of an offer to subscribe for, the Placing Shares to be issued in connection with the proposed Placing. This document is not a prospectus or a prospectus equivalent document within the meaning of the Prospectus (Directive 2003/71/EC) Regulations 2005 or the UK Prospectus Rules or the FSMA.

The Existing Ordinary Shares are admitted to trading on the Alternative Investment Market of The London Stock Exchange (“AIM”) and on The Enterprise Securities Market of the Irish Stock Exchange (“ESM”) under the symbols PVR and PZQ respectively. Application will be made to the London Stock Exchange and the Irish Stock Exchange for the Placing Shares to be admitted to trading on AIM and ESM respectively. Conditional on the passing of the Placing Resolution at the EGM, it is expected that Admission will become effective and that dealings will commence in the Placing Shares at 8.00 a.m. on 14 March 2011. AIM and ESM are markets designed primarily for emerging or small companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority and ESM securities are not admitted to the Main Securities Market of the Irish Stock Exchange. Prospective investors should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Neither the London Stock Exchange, the Irish Stock Exchange, the United Kingdom Listing Authority or the Central Bank has examined or approved the contents of this document. This document does not constitute a recommendation regarding securities of the Company.

The Placing Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends or other distributions declared, made or paid after the date of their issue.



## **PROVIDENCE RESOURCES P.l.c.**

*(Incorporated in Ireland with limited liability under the Companies Acts, 1963 to 1990 with registration number 268662)*

### **PLACING OF 16,096,800 ORDINARY SHARES**

**- AND -**

### **NOTICE OF EXTRAORDINARY GENERAL MEETING**

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#### ***SHARE CAPITAL IMMEDIATELY FOLLOWING THE PLACING***

<i>Authorised</i>		<i>Maximum issued and fully paid</i>		
<i>Number</i>	<i>Nominal amount</i>	<i>Number</i>	<i>Nominal amount</i>	
123,131,360	€12,313,136	<i>Ordinary Shares</i>	49,808,690	€4,980,869
1,062,442,182	€11,686,864.002	<i>Deferred Shares</i>	1,062,442,182	€11,686,864.002

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**This document should be read as a whole. Your attention is drawn to the letter from the chairman of the Company, which is set out on pages 6 to 10 of this document and which contains the Board’s recommendation to vote in favour of the Resolutions.**

The Directors, whose names and functions appear on page 6 of this document, and the Company, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Notice of an Extraordinary General Meeting of the Company to be held at 11.00 a.m. on 11 March 2011 at the Westbury Hotel, Grafton Street, Dublin 2, Ireland is set out at the end of this document. A Form of Proxy in respect of the Extraordinary General Meeting is enclosed with this document and to be valid, must be completed, signed and returned in accordance with the instructions printed thereon and should be returned as soon as possible and, in any event, so as to be received by the Company's registrars, Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland no later than 11.00 a.m. on 9 March 2011, being forty eight hours before the time appointed for the holding of the Extraordinary General Meeting. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting at the Extraordinary General Meeting should they wish to do so.

Cenkos Securities Plc ("**Cenkos**"), which is authorised and regulated in the United Kingdom by the FSA, is the Company's nominated adviser. Cenkos's responsibilities as the Company's nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person. Cenkos is acting exclusively for the Company and no one else in connection with the Placing and Admission and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Placing or Admission and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Cenkos or for providing advice in relation to the Placing, Admission or any matters referred to in this document.

J&E Davy ("**Davy**"), which is regulated in Ireland by the Central Bank, is acting exclusively for the Company and no-one else in connection with the matters described in this document. Davy will not regard any other person (whether or not a recipient of this document) as its customer or be responsible to any other person for providing the protections afforded to customers of Davy nor for providing advice in relation to the transactions and arrangements described in this document. Davy is not making any representation or warranty, express or implied, as to the contents of this document. Davy has not approved the contents of, or any part of, this document and no liability whatsoever is accepted by Davy for the accuracy of any information or opinions contained in this document or for the omission of any information from this document.

## FORWARD-LOOKING STATEMENTS

This document contains (or may contain) certain forward-looking statements with respect to the Company and certain of its current plans, goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. The Company cautions readers that no forward-looking statements are a guarantee of future performance and that actual results could differ materially from those contained in such forward-looking statements.

Forward-looking statements sometimes use words such as "**aim**", "**anticipate**", "**target**", "**expect**", "**estimate**", "**intend**", "**plan**", "**goal**", "**believe**" or other words of similar meaning. Examples of forward-looking statements include statements regarding or which make assumptions in respect of the working capital which will be needed by the Group to fund its operations over the next twelve months.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, economic and business conditions, the effects of continued volatility in credit markets, market-related risks such as changes in the price of oil or changes in interest rates and foreign exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the further development of standards and interpretations under International Financial Reporting Standards ("**IFRS**") applicable to past, current and future periods, evolving practices as regards the interpretation and application of standards under IFRS, the outcome of pending and future litigation or regulatory investigations, the success of future exploration, acquisitions and other strategic transactions and the impact of competition. A number of these factors are beyond the Company's control. As a result, the Company's actual future results may differ materially from the plans, goals and expectations set forth in the Company's forward-looking statements.

Any forward-looking statements made in this document by or on behalf of the Company speak only as at the date they are made. Except as required by the FSA, the Central Bank, the London Stock Exchange, the Irish Stock Exchange or applicable law, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances upon which any such statement is based.

## IMPORTANT NOTICE

The Placing Shares have not been and will not be registered under the US Securities Act of 1933 (the "**Securities Act**") or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with the securities laws of any state or other jurisdiction the United States. There will be no public offer of the Placing Shares in the United States. The Placing Shares are being offered and sold: (i) outside the United States in offshore transactions as such terms are defined in, and in reliance on, Regulation S under the US Securities Act; and (ii) inside the United States only to "**qualified institutional buyers**" as defined in Rule 144A under the Securities Act who have delivered a duly executed investor letter, pursuant to an exemption from

registration under the Securities Act. In addition, until forty days after the commencement of the Placing, an offer, sale or transfer of Placing Shares within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

**The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission (the “SEC”), any state securities commission in the United States or any US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Placing Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.**

This document is not being and may not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent, in whole or in part, in or into the United States and persons receiving this document (including brokers, custodians, trustees and other nominees) must not, directly or indirectly, mail, transmit or otherwise forward, distribute or send this document in or into the United States.

The Placing Shares have not been and will not be registered or qualified for distribution to the public under the securities legislation of any province or territory of any Excluded Territory or in any country, territory or jurisdiction where to do so may contravene local securities laws or regulations. Accordingly, the Placing Shares may not, subject to certain exemptions be offered or sold directly or indirectly in or into, or to any national, citizen, or resident of an Excluded Territory. The distribution of this document in or into other jurisdictions may be restricted by law and therefore persons into whose possession this document comes, should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions. This document is being sent into the Excluded Territories only to Shareholders for information in connection with the Extraordinary General Meeting and does not constitute an offer to sell, or a solicitation of an offer to buy, Placing Shares to or from any Shareholder resident in an Excluded Territory.

The date of this document is 16 February 2011.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<i>Event</i>	<i>Date</i>
Announcement of the Placing	16 February 2011
Date of Publication of this Circular	16 February 2011
Latest time and date for receipt of Forms of Proxy for use at the EGM	11.00 a.m. on 9 March 2011
Extraordinary General Meeting	11.00 a.m. on 11 March 2011
Admission and commencement of dealings in the Placing Shares on AIM and ESM	8.00 a.m. on 14 March 2011

**Note:**

Each of the times and dates shown above and elsewhere in this document are indicative and accordingly are subject to change. **References to time in this document are to London time unless otherwise stated.** If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by announcement through a Regulatory Information Service.

## PLACING STATISTICS

Placing Price	255p (€3.03)
Number of Existing Ordinary Shares in issue	33,711,890
Number of new Ordinary Shares to be issued pursuant to the Placing	16,096,800
Enlarged Ordinary Share Capital in issue immediately following completion of the Placing	49,808,690
Gross proceeds of the Placing	Stg£41.0 million (US\$65.7 million)

**Note:**

For the purpose of this calculation it is assumed that no further Ordinary Shares will be issued as a result of the exercise of any Options under any Share Option Schemes or otherwise between the date of this document and the completion of the Placing.

## LETTER FROM THE CHAIRMAN



### PROVIDENCE RESOURCES P.l.c.

*(Incorporated in Ireland with limited liability under the Companies Acts, 1963 to 1990 with registration number 268662)*

*Directors:*

Dr. Brian Hillery (*Chairman*)  
Tony O'Reilly (*Chief Executive Officer*)  
Philip O'Quigley (*Finance Director*)  
John O'Sullivan (*Technical Director*)  
James McCarthy (*Non-executive Director*)  
Philip Nolan (*Non-executive Director*)  
Lex Gamble USA (*Non-executive Director*)

*Registered office:*

Airfield House  
Airfield Park  
Donnybrook  
Dublin 4  
Ireland

*Company Secretary*

Michael Graham

16 February 2011

*To Shareholders and, for information, to holders of options over Ordinary Shares and Warrantholders.*

Dear Shareholder,

### **Proposed Placing of 16,096,800 Ordinary Shares**

– and –

### **Notice of Extraordinary General Meeting**

#### **1. Introduction**

The Company today announced a conditional Placing to raise gross proceeds of approximately Stg£41.0 million (approximately US\$65.7 million) by way of an issue of 16,096,800 new Ordinary Shares. The Placing Shares were conditionally allotted by the Board for cash at a price of 255p (€3.03) per share with existing and new investors in the Company. The allotment of the Placing Shares is conditional upon Shareholder approval of the Placing Resolution at the EGM and on admission of the Placing Shares to trading on AIM and ESM. An extraordinary general meeting has been convened to be held at the Westbury Hotel, Grafton Street, Dublin 2, Ireland at 11.00 a.m. on 11 March 2011 and a Form of Proxy for use in connection with the EGM is also enclosed with this document. If the Placing Resolution is not passed, the Placing Shares will not be issued and the gross proceeds of the Placing will not be available to the Company. Cenkos Securities Plc is acting as sole bookrunner and co-lead manager. Davy is acting as co-lead manager.

The purpose of this document is to: (i) provide you with details of, background to and reasons for the Placing; (ii) provide you with information in respect of the Resolutions to be proposed at the EGM; and (iii) explain why the Board believes that the Placing and the Resolutions are in the best interests of the Company and Shareholders as a whole.

The actions that you should take to vote on the Resolutions, and the recommendation of the Board, are set out in paragraphs 7 and 8 of this letter.

#### **2. Background to and Reasons for the Placing**

The Company has, over the past number of years, assembled a leading acreage position offshore Ireland comprising both existing oil and gas discoveries as well as oil and gas exploration assets. Operating in six distinct basins offshore the island of Ireland, the Company has an interest in 15 offshore authorizations issued in both the Republic of Ireland and Northern Ireland covering an area of approximately 8,600 sq km.

Through a series of value added activities including drilling and acquisition of seismic (both 2D and 3D), the Company has now advanced its portfolio to a stage where the majority of assets and prospects are ready to drill. At the same time, in accordance with its strategy, the Company has aligned itself with appropriate partners who bring both technical and, in certain cases, financial capabilities. Such partners include ExxonMobil, ENI, Star Energy (PETRONAS), Chrysaor, Nautical Petroleum, Atlantic Petroleum, Lansdowne Oil and Gas, San Leon Energy and Sosina Exploration.

The Directors believe that recent advances in technology, infrastructure and commodity pricing support a unique opportunity to test the commercial potential of the assets and so lead to further development of the Company's extensive portfolio offshore Ireland. Accordingly, the Directors have planned a multi-year, multi-well drilling campaign to cover the six basins in which the Company has licence interests offshore Ireland. This campaign will target up to 10 wells to be drilled from now through 2013. Simultaneously, the ongoing field re-development programme at Singleton (onshore UK) allows the Company to access greater production rates and higher reserves from this licence.

The majority of the net proceeds of the Placing will fund this extensive multi well drilling programme of oil and gas prospects in areas of proven oil and gas discoveries offshore Ireland and onshore UK. The Placing will also provide capital for seismic studies to be undertaken on certain of Providence's early stage assets in order to assess their suitability for drilling at a future date. The Company will fund working capital commitments from its existing cash resources, operating cash flows and existing banking facilities.

### **3. Use of Proceeds**

The net proceeds of the Placing, together with the Company's current cash resources and free cash flow generated from operations, will be used to fund the execution of an extensive seismic and drilling programme from now through 2013 focusing primarily on the Company's assets offshore Ireland and onshore UK.

In particular, the net proceeds of the Placing will be applied to fund Providence's ongoing participation, whilst assisting Providence to retain current levels of interest (and where applicable, its status as operator) where the Company determines it to be in the best interests of the Company, in advancement of the following projects:

#### ***Celtic Sea, Offshore Ireland***

Shooting of a 3D seismic programme over the Barryroe Oil Discovery (*50 per cent. interest and operator*)

Drilling of two appraisal wells at Barryroe and one appraisal well at Hook Head Oil discoveries (*50 per cent. interest and 72.5 per cent. interest, respectively; operator for both*)

#### ***Kish Bank Basin, Offshore Ireland***

Drilling of one exploration well on the Dalkey Island Oil Prospect (*50 per cent. interest and operator*)

#### ***Main Porcupine Basin, Offshore Ireland***

Drilling of one appraisal well at Spanish Point Gas/Oil discovery (*56 per cent. interest and operator*)

Shooting of a 3 D Seismic programme over the Burren oil discovery (*56 per cent. interest and operator*)

#### ***South Porcupine Basin, Offshore Ireland***

Drilling of one exploration well at the Dunquin Gas/Oil prospect (*16 per cent. interest*)

#### ***Rathlin Basin, Offshore Northern Ireland***

Drilling of one exploration well (*100 per cent. interest and operator*)

#### ***St Georges Channel Basin, Offshore Ireland and Offshore UK***

Drilling of one appraisal well at the Dragon gas discovery (*100 per cent. interest in Irish side*)

#### ***Singleton, Onshore UK***

Continuous development drilling at Singleton with plans to double oil production over the next two years (*currently 99.1 per cent. interest and operator*)

#### **4. Details of the Placing**

Conditional on the passing of the Placing Resolution and on Admission, the Placing will raise gross proceeds of approximately Stg£41.0 million (approximately US\$65.7 million) through the issue by the Company of 16,096,800 new Ordinary Shares for cash at a price of 255p (€3.03) per Placing Share.

The Placing Shares represent approximately 47.7 per cent. of the issued share capital of the Company as at the date of this document and approximately 32.3 per cent. of the enlarged issued share capital of the Company immediately following completion of the Placing.

The Placing Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends or other distributions declared, made or paid after the date of their issue.

Under the terms of the Placing Agreement, the Company will: (i) pay to Cenkos and Davy commissions conditional upon Admission; and (ii) give customary warranties, undertakings and indemnities to each of Cenkos and Davy, in each case in respect of the services provided by Cenkos and Davy in connection with the Placing. The Placing Agreement may be terminated by Cenkos and/or Davy at any time prior to Admission in certain circumstances, including amongst other matters, circumstances where any warranties are found to be untrue, inaccurate or misleading.

The Placing is conditional upon, amongst other things:

- (i) the passing, without amendment, of the Placing Resolution at the EGM;
- (ii) the Placing Agreement having become unconditional (save for Admission) and not having been terminated in accordance with its terms prior to Admission; and
- (iii) Admission becoming effective.

Application for Admission will be made to both the London Stock Exchange and Irish Stock Exchange and, subject to the passing, without amendment, of the Placing Resolution at the EGM, it is expected that Admission will become effective and that dealings in the Placing Shares will commence on AIM and ESM at 8.00 a.m. on 14 March 2011.

#### **5. Current Trading and Prospects**

The Company published, on 29 September 2010, its interim results for the six month period ending 30 June 2010. A copy of the interim results are available on the Company's website, [www.providenceresources.com](http://www.providenceresources.com). The 2009 Annual Report, including the financial statements of the Company for the twelve month period ended 31 December 2009, can also be found on the Company's website.

Your specific attention is also drawn to the following recent market and operational updates made by the Company which are available on the Company's website:

- (i) 'Providence agrees Hook Head farm-out deal', dated 4 October 2010.
- (ii) 'Providence successfully completes first phase of 2010 drilling operations at Singleton', dated 18 October 2010.
- (iii) 'Providence secures petroleum exploration licence over Rathlin Island, Northern Ireland', dated 26 October 2010.
- (iv) 'Technical Update – Dalkey Island Prospect, Offshore Ireland', dated 2 November 2010.
- (v) 'Providence grants option to Star Energy over Dragon licence', date 11 November 2010.
- (vi) 'New 3D seismic and integrated studies advance Spanish Point discovery towards commercial development', dated 16 November 2010.
- (vii) 'Providence increases interest in Barryroe Discovery following asset deals with Lansdowne', dated 3 December 2010.

- (viii) 'Providence Resources P.l.c. End of Year Trading Statement 2010', dated 23 December, 2010.
- (ix) 'Providence completes drilling operations at Singleton', dated 5 January, 2011.
- (x) 'ULYSSES Gas Storage Project Update', dated 10 January 2011.
- (xi) 'Memorandum of Agreement with Shell to negotiate an oil off take sale and purchase agreement in relation to future potential oil production in the Celtic Sea', dated 7 February 2011.

Information contained on or accessible from the Company's website is not, and does not form, a part of this document.

## **6. Extraordinary General Meeting**

You will find a notice of EGM at the end of this document and a summary and explanation of the Resolutions is set out below. The EGM will be held at the Westbury Hotel, Grafton St, Dublin 2, Ireland at 11.00 a.m. on 11 March 2011, at which Shareholders will be asked to consider and, if thought fit, to pass the Resolutions, each of which are special resolutions. To enable the Placing to proceed, at the EGM, Shareholders will be asked to consider, and if thought fit, pass the Placing Resolution.

At the annual general meeting of the Company held on 26 May 2010, Shareholders granted authority to the Directors to make non pre-emptive offers of equity securities for cash of up to twenty per cent. of the nominal value of the issued ordinary share capital of the Company on that date at any time up to the close of business on 25<sup>th</sup> August 2011 or, if earlier, the conclusion of the next annual general meeting of the Company. The Placing Resolution, which is a special resolution, proposes to revoke this authority and to empower the Directors to issue new Ordinary Shares pursuant to the Placing having a maximum aggregate nominal value of €1,609,680.00 without being required to offer those shares to Shareholders pursuant to applicable statutory rights of pre-emption (as conferred by section 23 of the 1983 Act). This power will expire on the date of the next annual general meeting of the Company after the passing of the Placing Resolution.

The second Resolution, which is a special resolution, proposes to empower the Directors, without prejudice to the authority proposed to be granted pursuant to the Placing Resolution, to disapply statutory pre-emption rights (as conferred by section 23 of the 1983 Act) in respect of : (i) the allotment of equity securities in connection with any offer of securities open for a period fixed by the Directors by way of rights issue, open offer or otherwise to Shareholders and/or any other persons entitled to participate therein in proportion to their holdings of Ordinary Shares; (ii) in connection with the exercise of any options or warrants to subscribe granted by the Company; and (iii) in addition to the authorities referred to in sub-paragraphs (i) and (ii), up to a maximum aggregate nominal value of €996,173.80. This power will expire on the date of the next annual general meeting of the Company after the passing of the second Resolution.

The text of the Resolutions proposed to be passed at the EGM are set out in the Notice of Extraordinary General Meeting on pages 13 to 14 of this Circular.

For the purposes of section 24(5) of the 1983 Act, the Directors state that: (i) their reasons for recommending that Shareholders vote in favour of the Resolutions are as stated in this Circular; (ii) the amount to be paid to the Company in respect of the allotment of the Placing Shares pursuant to the Placing Resolution is stated in this Circular; and (iii) their justification of that amount is the completion of the Placing described in this Circular.

## **7. Action to be Taken**

You will find a notice of EGM at the end of this document. A Form of Proxy is also enclosed with this document. Whether or not you intend to attend the EGM in person, you are requested to complete and sign the Form of Proxy in accordance with the instructions printed on it and then return it to the Company's registrars, Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland no later than 11.00 a.m. on 9 March, 2011, being 48 hours

before the time appointed for the holding of the EGM. The completion and return of a Form of Proxy will not preclude you from attending the EGM and voting in person should you so wish. To do so, you should refer to the Form of Proxy which sets out the relevant instructions.

#### **8. Recommendation**

**The Directors consider the passing of the Resolutions and completion of the Placing to be in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the Resolutions, as those who own Ordinary Shares intend to do in respect of their entire beneficial holdings being, in aggregate, 281,540 Ordinary Shares (representing approximately 0.84 per cent. of the issued share capital of the Company as at the date of this document).**

Yours faithfully,

**Dr. Brian Hillery**

*Chairman*

Providence Resources plc

## DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

<b>“1983 Act”</b>	the Companies (Amendment) Act, 1983.
<b>“2009 Annual Report”</b>	the annual report and accounts of the Company for the financial year ended 31 December 2009.
<b>“Admission”</b>	admission of the Placing Shares to trading on AIM and ESM becoming effective in accordance with Rule 6 of the AIM Rules and Rule 6 of the ESM Rules.
<b>“AIM”</b>	the market of that name operated by the London Stock Exchange.
<b>“AIM Rules”</b>	the rules published by the London Stock Exchange entitled ‘AIM Rules for Companies’.
<b>“Articles”</b>	the Articles of Association of the Company.
<b>“Board” or “Directors”</b>	the directors of the Company whose names are set out on page 6 of this document.
<b>“Central Bank”</b>	the Central Bank of Ireland.
<b>“Cenkos”</b>	Cenkos Securities Plc.
<b>“Circular”</b>	this document.
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations, as amended), enabling title to securities to be evidenced and transferred in dematerialized form operated by Euroclear.
<b>“CREST Regulations”</b>	the Companies Act 1990 (Uncertificated Securities) Regulations 1996, including (i) any enactment or subordinate legislation which amends or supersedes those regulations and (ii) any applicable rules made under those regulations or any enactment or subordinate legislation for the time being in force.
<b>“Davy”</b>	J&E Davy, trading as Davy including its affiliate, Davy Corporate Finance.
<b>“Deferred Shares”</b>	deferred shares of €0.011 each in the Company.
<b>“EGM” or “Extraordinary General Meeting”</b>	the extraordinary general meeting of the Company to be held at Westbury Hotel, Grafton Street, Dublin 2, Ireland at 11.00 a.m on 11 March 2011.
<b>“ESM”</b>	the market of that name operated by the Irish Stock Exchange.
<b>“ESM Rules”</b>	the rules published by the Irish Stock Exchange entitled ‘ESM Rules for Companies’.
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, the operator of CREST.
<b>“Excluded Territories”</b>	Australia, Canada, New Zealand, Switzerland, Japan and South Africa.
<b>“Existing Ordinary Shares”</b>	the Ordinary Shares in issue as at the date of this document.
<b>“FSA”</b>	the Financial Services Authority of the United Kingdom.
<b>“Form of Proxy”</b>	the form of proxy for use at the EGM which is enclosed with this document.
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended) of the United Kingdom.

<b>“Group”</b>	the Company and its subsidiaries and/or subsidiary undertakings.
<b>“Ireland”</b>	the island of Ireland (excluding Northern Ireland).
<b>“Irish Stock Exchange”</b>	The Irish Stock Exchange Limited.
<b>“London Stock Exchange”</b>	London Stock Exchange plc.
<b>“Notice”</b>	the notice of EGM set out at the end of this document.
<b>“Official List”</b>	the official list maintained by the United Kingdom Listing Authority.
<b>“Ordinary Shares”</b>	ordinary shares of €0.10 each in the issued share capital of the Company.
<b>“Placing”</b>	the conditional allotment of the Placing Shares by Cenkos and Davy on the terms and subject to the conditions set out in the Placing Agreement.
<b>“Placing Agreement”</b>	the agreement entered into in connection with the Placing between the Company, the Directors, Cenkos and Davy dated 16 February 2011.
<b>“Placing Price”</b>	255p (€3.03) per Placing Share.
<b>“Placing Resolution”</b>	Resolution 1 to be proposed at the EGM in connection with the Placing.
<b>“Placing Shares”</b>	16,096,800 new Ordinary Shares to be issued pursuant to the Placing.
<b>“Providence” or “the Company”</b>	Providence Resources plc, incorporated in Ireland with limited liability under the Companies Acts, 1963 to 1990 with registration number 268662 and whose registered office is at Airfield House, Airfield Park, Donnybrook, Dublin 4, Ireland.
<b>“Regulatory Information Service”</b>	one of the regulatory information services authorised by the United Kingdom Listing Authority to receive, process and disseminate regulatory information in respect of listed companies.
<b>“Resolutions”</b>	the special resolutions to be proposed at the EGM.
<b>“Shareholder”</b>	a holder of Ordinary Shares.
<b>“subsidiary”</b>	shall have the meaning given by section 155 of the Companies Act, 1963.
<b>“subsidiary undertakings”</b>	shall have the meaning given by the European Communities (Companies: Group Accounts) Regulations 1992.
<b>“UK Prospectus Rules”</b>	means the Prospectus Rules of the United Kingdom issued by the FSA under Part VI of the FSMA.
<b>“United Kingdom”</b>	United Kingdom of Great Britain and Northern Ireland.
<b>“United Kingdom Listing Authority”</b>	the FSA, acting in its capacity as the competent authority for the purposes of Part IV of the FSMA.
<b>“US” or “United States”</b>	the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to the jurisdiction of the United States of America.
<b>“Warrants”</b>	warrants to subscribe for Ordinary Shares pursuant to warrant instruments of the Company dated 13 April 2006 and 14 May 2008.
<b>“Warrantholders”</b>	holders of Warrants.
<b>“€”</b>	Euro, the lawful currency of Ireland.
<b>“£”</b>	Pounds Sterling, the lawful currency of the United Kingdom.
<b>“US\$”</b>	United States Dollars, the lawful currency of the US.

**Notes:**

- (i) Unless otherwise stated in this document, all references to statutes or other forms of legislation shall refer to statutes or legislation of Ireland. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.
- (ii) Words importing the singular shall include the plural and *vice versa* and words importing the masculine gender shall include the feminine or neuter gender.
- (iii) Unless otherwise stated, US dollar amounts referred to throughout this document have been translated from sterling to US dollars at a rate of £1:US\$1.60 and Euro amounts referred to throughout this document have been translated from sterling to Euro at a rate of £1:€1.19.



## NOTICE OF EXTRAORDINARY GENERAL MEETING

OF

### PROVIDENCE RESOURCES P.l.c. (the “COMPANY”)

*(Incorporated in Ireland with limited liability under the Companies Acts, 1963 to 1990 with registration number 268662)*

**NOTICE** is hereby given that an Extraordinary General Meeting (the “**EGM**”) of the Company will be held at 11.00 a.m. on 11 March 2011 at the Westbury Hotel, Grafton Street, Dublin 2, Ireland for the purpose of considering, and if thought fit, passing the following resolutions as special resolutions:

- 1 **THAT**, in substitution for all existing authorities of the Directors pursuant to section 24 of the Companies (Amendment) Act 1983 (the “**1983 Act**”) but without prejudice to the authority proposed to be granted to the Directors pursuant to resolution 2 below, the Directors be and are hereby empowered pursuant to Section 24 of the 1983 Act to allot equity securities (as defined by Section 23 of the 1983 Act) for cash, pursuant to the authority conferred on them under section 20 of the 1983 Act by resolution of the shareholders passed on 24 June 2008, as if sub-Section (1) of the said Section 23 did not apply to any such allotment provided that this power shall be limited to the allotment of equity securities pursuant to and in connection with the Placing (as such term is defined in the Circular of the Company dated 16 February 2011 of which this Notice forms part) having a maximum aggregate nominal value of €1,609,680.00. The power hereby conferred shall expire on the date of the next Annual General Meeting of the Company after the passing of this resolution, save that the Company may before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.
- 2 **THAT**, without prejudice to the authority pursuant to section 24 of the Companies (Amendment) Act 1983 (the “**1983 Act**”) proposed to be granted to the Directors pursuant to resolution 1 above, the Directors be and are hereby empowered pursuant to Section 24 of the 1983 Act to allot equity securities (as defined by Section 23 of the 1983 Act) for cash, pursuant to the authority conferred on them section 20 of the 1983 Act by resolution of the shareholders passed on 24 June 2008, as if sub-Section (1) of the said Section 23 did not apply to any such allotment provided that this power shall be limited to the allotment of equity securities:
  - (a) in connection with or pursuant to any offer of securities, open for a period fixed by the Directors, by way of rights issue, open offer or otherwise (an “**Offering**”) to the holders of ordinary shares and/or any other persons entitled to participate therein including (without limitation) any holders of options under the Company’s share option scheme(s) for the time being) in proportion (as nearly as may be) to their respective holdings of ordinary shares (or, as appropriate, the number of ordinary shares which such other persons are for the purposes of such Offering deemed to hold) on a record date fixed by the Directors (whether before or after the date of this meeting) and subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with any legal or practical problems under laws of any territory or the requirements of any regulatory body or any stock exchange in any territory or in relation to fractional entitlements or otherwise howsoever;
  - (b) in connection with the exercise of any options or warrants to subscribe granted by the Company; and
  - (c) (in addition and without prejudice to the authorities conferred by paragraphs (a) and (b) of this resolution), up to a maximum aggregate nominal value of €996,173.80.

The power hereby conferred shall expire on the date of the next Annual General Meeting of the Company after the passing of this resolution save that the Company may before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

**By Order of the Board.**

**Michael Graham**

*Secretary*

Dated: 16 February 2011

*Registered Office:*

Airfield House

Airfield Park

Donnybrook

Dublin 4

Ireland

**Notes:**

- (i) Any shareholder of the Company entitled to attend and vote may appoint another person (whether a member or not) as his/her proxy to attend, speak and vote on his/her behalf at the EGM. For this purpose a form of proxy is enclosed with this notice. A proxy need not be a shareholder of the Company. Lodgement of the form of proxy will not prevent the shareholder from attending and voting at the EGM.
- (ii) Only shareholders, proxies and authorised representatives of corporations, which are shareholders, are entitled to attend the EGM.
- (iii) To be valid, the form of proxy and, if relevant, the power of attorney under which it is signed, or a certified copy of that power of attorney, must be received by the Company at Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, Ireland no less than 48 hours prior to the time appointed for the EGM.
- (iv) In the case of joint holders, the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
- (v) Pursuant to Regulation 14 of the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996 only those shareholders on the register of members of the Company as at 6.00 p.m. on 9 March 2011 will be entitled to attend and vote at the EGM (or in the case of an adjournment as at 6.00 p.m. on the day which is two days before the time of the adjourned meeting) and may only vote in respect of the number of shares registered in their names at that time. Changes to entries in the register after that time will be disregarded in determining the right to any person to attend and/or vote at the EGM.
- (vi) In the case of a corporation, the instrument shall be either under its common seal or under the hand of an officer or attorney duly authorised on its behalf.

