



PROVIDENCE RESOURCES P.I.c. END OF YEAR TRADING STATEMENT 2009

2009 HIGHLIGHTS

PRODUCTION

- **Kinsale Head Field, Ireland: Exercised Option to acquire 40% of Kinsale Head gas production and storage operations from PETRONAS**
- **Singleton Field, Onshore UK: Drilled X-10 well which led to increase in field oil production by c. 50%**
- **Gulf of Mexico, US: Production uplift from well re-completion at VR 60 and start-up of production at Galveston A-155 gas field**

APPRAISAL/ DEVELOPMENT

- **Spanish Point and Burren Discoveries, Ireland: Acquired 300 km² of 3-D seismic data**
- **OML113, Offshore Nigeria: Declaration of commerciality of the Aje field and acquisition of new 2-D Seismic over block**

EXPLORATION

- **Dunquin Prospect, Ireland: Farm out of 40% interest to ENI and drilling of exploration well commitment made by the Operator, ExxonMobil**
- **St George's Channel: Increased acreage of SEL 1/07 which abuts and includes the Dragon discovery in the UK sector of the Celtic Sea**

CORPORATE

- **Placing of shares in June raised €16.8 million**
- **New \$100 million senior secured reduced borrowing base facility arranged with BNP Paribas and cancellation of the Macquarie facility**
- **Establishment of special purpose vehicles, EIRGAS Limited and Exola Limited, to focus on gas storage and unconventional oil projects**

2010 OUTLOOK

PRODUCTION

- Kinsale Head Field, Ireland: Finalise Kinsale Head transaction and progress expansion of gas storage operations
- Singleton Field, Onshore UK: Programme to increase production rates to over 800 BOPD through well stimulation programme
- Singleton Field, Onshore UK: Commencement of gas to wire programme to monetise value from flared gas (c. 200 BOEPD)
- Gulf of Mexico, US: Various planned re-completes and recommencement of oil production from SS253 field

APPRAISAL/ DEVELOPMENT

- Spanish Point and Burren Discoveries, Ireland: Full analysis of 3-D seismic data and definition of forward programme
- Celtic Sea, Ireland: Unlock the value of existing oil discoveries in the Celtic Sea through special purpose vehicle, Exola Limited

EXPLORATION

- Dunquin Prospect, Ireland: Well site survey in preparation for drilling operations
- Carbon Capture and Storage (CCS): Explore the commercial feasibility of the geological storage of carbon dioxide offshore Ireland in light of recently introduced Irish carbon tax of \$22 per tonne

Commenting on activity during 2009 and future plans for 2010, Tony O'Reilly, Chief Executive of Providence Resources P.I.c., said:

"I am pleased to report that Providence continues to deliver on ambitious targets across its asset portfolio. As well as achieving its' corporate and project milestones through the addition of reserves and the sanctioning of projects, the Company has also been able to participate in a transformational deal to acquire 40% of the Kinsale Head assets. This transaction not only gives Providence its first Irish production but, importantly, also provides part ownership of Ireland's only operating gas storage facility.

"Moreover, the deal has served to re-define the future structure of the business: The EIRGAS subsidiary being established specifically to operate and develop gas storage and CCS opportunities, and Exola Limited being incorporated to marshal the Group's Celtic Sea oil assets, where it will focus on unconventional oil and marginal field developments. By creating this structure, Providence will be able to continue to focus on its core business of growing production levels, unlocking the value of its undeveloped oil and gas discoveries and advancing its many exploration projects.

“Across the portfolio, we expect to see the significant maturing of our development and exploration projects. We anticipate that production levels will continue to grow to c. 5,000 BOEPD from production increases at Singleton, the planned re-commencement of production in the US Gulf of Mexico and the attributable gas production from EIRGAS. Of particular note during 2010 will be the Spanish Point and Burren discoveries, where the initial 3D seismic results are highly encouraging. The work planned on these two discoveries, taken together with the Dunquin exploration prospect, where a well commitment has now been made, confirm that the Irish Atlantic margin has become the focus of growing and material industry investment.

“Providence enters 2010 with a clear strategy, strong partners and a growing reserve base, together with a maturing and dynamic asset portfolio. Combined with the solid financial base of growing production cash flow and the new BNP Paribas credit facility, I remain confident that Providence represents a strong long term investment proposition for shareholders.”

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Notes to Editors:

About Providence

Providence Resources Plc is an independent oil and gas exploration 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 (offshore), the United Kingdom (onshore and offshore), the United States (offshore) and West Africa (offshore Nigeria). Providence's portfolio is balanced between production, appraisal and exploration assets, as well as being diversified geographically.

Comprehensive information on Providence and its oil and gas portfolio, including all press releases, annual reports and interim reports are available from Providence's website at www.providenceresources.com.

About EIRGAS Limited

EIRGAS Limited is a SPV (special purpose vehicle) established by Providence to invest in gas storage and CCS opportunities offshore Ireland and the United Kingdom. EIRGAS is currently owned 100% by Providence.

About Exola Limited

Exola Limited is a SPV (special purpose vehicle) being established by Providence to invest in heavy and unconventional oil developments and opportunities offshore Ireland and the United Kingdom. Exola is currently owned 100% by Providence.