PROVIDENCE RESOURCES P.l.c.

("Providence" or the "Company")

INTERIM REPORT AND FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2009

OPERATIONAL INFORMATION SINCE PERIOD END

- **KINSALE HEAD AREA, CELTIC SEA, OFFSHORE IRELAND**
    - **Exercised option to acquire 40% of Kinsale Head area assets from PETRONAS**
        - **Transaction doubles Providence's production to over 4,000 BOEPD**
        - **Gives Providence 40% ownership of Ireland's only operating gas storage facility**

- **DUNQUIN, PORCUPINE BASIN, OFFSHORE IRELAND**
    - **ExxonMobil Farm out 40% interest to ENI**
    - **Firm well commitment declared by ExxonMobil, ENI, Providence and Sosina**
    - **New licence interest at Cuchulain with ENI**

- **GULF OF MEXICO, OFFSHORE US**
    - **Commencement of gas production from the Galveston A-155 field**

- **SINGLETON, ONSHORE UK**
    - **Development plan agreed to take UK production to over 1,000 BOEPD during 2010**
        - **Drilling of new well (SNX-11) being planned for early 2010**
        - **Gas-To-Wire project agreed to monetise c. 200 BOEPD of gas production**

- **BNP PARIBAS**
    - **New $100 million senior secured reducing borrowing base facility**
        - **Arranged by BNP Paribas**
        - **Macquarie facility to be cancelled**

OPERATIONAL INFORMATION DURING PERIOD

- **SPANISH POINT, PORCUPINE BASIN, OFFSHORE IRELAND**
  - **Acquisition of 300 sq kilometre 3-D seismic survey**

- **SINGLETON, ONSHORE UK**
  - **SNX-10 production well increased field oil production by c. 50%**

- **OML 113, OFFSHORE NIGERIA**
  - **AJE field deemed commercial**

- **DRAGON FIELD AREA, ST GEORGE'S CHANNEL, OFFSHORE IRELAND / UK**
  - **Additional acreage awarded**

- **GULF OF MEXICO, OFFSHORE US**
  - **Successful re-completion programme completed at Vermillion 60**

FINANCIAL INFORMATION FOR THE SIX MONTHS ENDING JUNE 30, 2009

- **REVENUE**
  - **€10.5 million (H1 2008: €11.2 million)**
  - **Revenue down due to a combination of lower commodity prices and production levels being impacted by hurricanes**

- **EBITDA**
  - **€ 5.3 million (H1 2008: € 7.3 million)**

- **RESULTS FROM OPERATING ACTIVITIES**
  - **€1.7 million (H1 2008: €5.0 million)**
    - **Includes a number of one-off hurricane related costs**
    - **Administration expenses down 13%**

- **NET CASH PRODUCED FROM OPERATIONS**
  - **€2.9 million (H1 2008: € 1.5 million loss)**

- **NET LOSS**
  - **€6.6 million (H1 2008: Profit €3.25 million)**
    - **Loss includes €7.5 million of non cash items**
    - **Finance expenses of €7.3 million (H1 2008: €1.8 million)**
    - **€0.00263 loss per share (H1 2008: profit €0.00131)**

- **PLACING OF SHARES**
  - **€16.9 million raised from UK institutions**

Commenting on today's results, Tony O'Reilly, Chief Executive of Providence Resources P.l.c. said:

"Despite the tough global economic environment, the results for the first half of 2009 demonstrate a range of successful activities across the Company's broad portfolio. Most notable was the exercising of the Option to acquire a 40% interest in the Kinsale Head area assets from PETRONAS, the drilling of the Singleton SNX-10 development well, the deeming of AJE to be commercial, the farm out by ExxonMobil to ENI of a 40% interest in the Dunquin prospect and the subsequent decision by the ExxonMobil-led partnership to commit to an exploration well.

"Providence is now active in four areas – oil and gas production, asset appraisal and development, high impact exploration, and gas storage – each of which is growing. Our extensive plans for field enhancement at Singleton, combined with our ongoing activities in the Gulf of Mexico, give us confidence that we will achieve our production target of over 3,000 BOEPD. This, combined with the attributable 2,000 BOEPD from the Kinsale Head assets, should take our overall production to over 5,000 BOEPD by 2011.

"We remain convinced that this focus on production, combined with our strategy of unlocking value from existing development assets (such as AJE, Spanish Point and the Celtic Sea portfolio), will bring managed growth to our core businesses. The exploration portfolio has maintained its evolving momentum - as evidenced by this summer's farm out to ENI - and the subsequent decision by ExxonMobil to commit a well on the Dunquin licence is testimony to the world class qualities of the resource potential of this acreage. It also validates our commitment to building the largest portfolio of exploration acreage off the west coast of Ireland.

"The EIRGAS transaction to acquire the Kinsale Head assets is a transformational deal for Providence. It allows us to capitalise on our extensive operational experience offshore Ireland and, with the assistance of PETRONAS' capabilities in gas production, storage and trading, it will substantially increase our daily production rates. Most importantly of all, it will see Providence enter the gas storage sector, which we see as a significant future growth area.

"As we announced yesterday, we are delighted to have arranged a new $100 million financing facility with BNP Paribas, one of the world's leading natural resource banks. This demonstrates our growing maturity as a diversified E&P company, and gives us the flexibility to expand our core businesses.

"We view the future with optimism and confidence. This is because our individual projects and our collective portfolio now exhibit a balanced risk profile ranging from production, storage and trading, through field appraisal and development to high impact exploration - all backed by world class equity and financial partners."

Tony O'Reilly
Chief Executive **September 30th, 2009**

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The full Interim Report, Financial Statements and Company Outlook is set out on the attached pages.

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. The Company was founded in 1997, but with roots going back to 1981 when its' predecessor company, Atlantic Resources Plc was formed by a group of investors led by Sir Anthony O'Reilly. 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

Announcement

In accordance with the AIM Rules – Guidance for Mining and Oil & Gas Companies, the information contained in this announcement has been reviewed and approved by John O'Sullivan, Exploration Manager of Providence Resources P.l.c. John O'Sullivan is a Geology graduate of University College Cork and holds a Masters in Geophysics from The National University of Ireland, Galway. John also holds a Masters in Technology Management from the Smurfit Graduate School of Business at University College Dublin and is presently completing a dissertation leading to a PhD in Geology at Trinity College, Dublin. John is a Fellow of the Geological Society and a member of the Petroleum Exploration Society of Great Britain. He has 19 years experience in the oil and gas exploration and production industry and is a qualified person as defined in the guidance note for Mining Oil & Gas Companies, March 2006 of the London Stock Exchange.

Glossary of terms used

ALL FIGURES QUOTED ARE GROSS FIGURES, UNLESS OTHERWISE STATED

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

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

LICENCE INTERESTS

Asset	Location	Operator	%	Type
IRELAND				
Kinsale Head *	Celtic Sea	Kinsale Energy	40.0%	Gas production
Ballycotton *	Celtic Sea	Kinsale Energy	40.0%	Gas production
South West Kinsale *	Celtic Sea	Kinsale Energy	40.0%	Gas storage & trading
Seven Heads *	Celtic Sea	Kinsale Energy	34.6%	Gas production
Hook Head	Celtic Sea	Providence	72.5%	Oil & gas discovery
Dunmore	Celtic Sea	Providence	72.5%	Oil discovery
Helvick	Celtic Sea	Providence	72.5%	Oil & gas discovery
Ardmore	Celtic Sea	Providence	72.5%	Gas discovery
Blackrock	Celtic Sea	Providence	72.5%	Oil discovery
Barryroe	Celtic Sea	Lansdowne	30.0%	Oil & gas discovery
Pegasus exploration	NE Celtic Sea	Providence	100.0%	Oil & gas
Orpheus exploration	NE Celtic Sea	Providence	100.0%	Oil & gas
Dionysus exploration	NE Celtic Sea	Providence	100.0%	Oil & gas
Dragon (part)	NE Celtic Sea	Marathon	c. 25.0%	Gas development
Spanish Point	Porcupine Basin	Providence	56.0%	Gas development
Burren	Porcupine Basin	Providence	56.0%	Oil discovery
FEL 4/08 exploration	Porcupine Basin	Providence	56.0%	Oil & gas
Dunquin exploration	Porcupine Basin	ExxonMobil	16.0%	Oil & gas
Drombeg exploration	Porcupine Basin	ExxonMobil	16.0%	Oil & gas
Cuchulain exploration	Porcupine Basin	ENI	3.2%	Oil & gas
Newgrange exploration	Goban Spur Basin	Providence	16.0%	Oil & gas
Kish Bank exploration	Kish Bank Basin	Providence	50.0%	Oil & gas

*** Following the exercise of the Kinsale Option**

Asset	Location	Operator	%	Type
UNITED KINGDOM				
Singleton production	Onshore	Providence	99.1%*	Oil & gas

Baxter's Copse	Onshore	Providence	50.0%	Oil discovery
Burton Downs	Onshore	Providence	50.0%	Oil & gas exploration

*** 99.125%**

UNITED STATES

High Island A 268	Gulf of Mexico	Peregrine	5.0%	Oil & gas production
Galveston A 155	Gulf of Mexico	Peregrine	10.8%	Gas production
Ship Shoal 252/253/267*	Gulf of Mexico	SPN	50.0%	Oil & gas production
Main Pass 19	Gulf of Mexico	Petsec	45.0%	Oil & gas production
East Cameron 257	Gulf of Mexico	SPN	12.5%	Gas production
West Cameron 333	Gulf of Mexico	Mariner	32.5%	Gas production
Vermillion 60	Gulf of Mexico	SPN	50.0%	Gas production
Ridge	Onshore Louisiana	Brammer	30.0%	Gas production
Main Pass 89**	Gulf of Mexico	Beryl	17.5%	Gas production

*** Earned interest through well bore**
**** Back-in rights for 25% of 70% after pay out**

NIGERIA

AJE, OML 113	Offshore Nigeria	YFP/Chevron	5.0%	Oil & gas development

FINANCIAL HIGHLIGHTS

- **Financial Results for the Half Year 2009**
- **Share Placing**
- **$100 Million Facility with BNP Paribas**

Financial Results for the Half Year 2009
Revenue for the first six months of 2009 was €10.5 million, down from €11.2 million in the first six months of 2008. This was due to hurricanes, which impacted production in the Gulf of Mexico, and lower commodity prices. We estimate that both Ship Shoal 253 and Galveston A-155 being offline impacted production rates by around 350 BOEPD, and the lack of production from Ship Shoal 253 accounted for oil sales volume being down 2.1%. Singleton oil production was up only 12.35% as X10 did not start producing until May 2009. Gas sales volumes were up 67% on the previous year, which were driven by six months of Triangle production in 2009 (versus three months in 2008) together with the Vermillion 60 work-over coming online in May 2009. Both Galveston A-155 and Singleton X10 are delivering ahead of expectations.

The price of oil averaged $87.60/BL in the first half of the year, which included hedges in place, compared to the average price of $111.74 achieved in 2008, representing a fall of 21.6%. The decrease in gas prices was even greater, with prices averaging $6.32/MSCF, including the hedges in place, versus an average price of $10.78/MSCF in 2008, or a drop of 41.3%. The overall price achieved on a BOE basis in 2009 was $58.43 versus $89.68 for 2008, a drop of 34.8%. Without hedges, the overall price would have been $35.96/BOE.

Cost of sales were €7.2 million versus €4.2 million, reflecting a number of one-off items. These included additional costs related to the hurricanes and higher insurance excess, and an increased abandonment cost for the Mobile 861 facility in the Gulf of Mexico. Administration expenses were down 13% to €1.4 million from €1.6 million due to a continued cost reduction programme. Overall, profit from operating activities fell from €5.0 million to €1.7 million.

The single biggest cost variance in the interim accounts was the significant increase in financing costs from €1.8 million to €5.0 million, arising from a full six months of financing costs for Triangle and the costs of the convertible bond. In the corresponding period of 2008, Providence had only one month of financing costs for our Triangle acquisition and no costs associated with the convertible bond. After finance costs of €7.3 million, which included €2.1 million of a foreign exchange variance, the Company reported a net loss of €6.6 million compared to a profit of €3.3 million in 2008. In the period, the net loss included €7.5 million of non cash items.

The Company continued to generate surplus cash with EBITDA at €5.3 million and cash infow from operating activities of €2.9 million, compared to a cash outflow of €1.5 million in 2008. Cash and cash equivalents at June 30th was €17.3 million. Total long term borrowings of €83.4 million compared to €40.4 million reflect the inclusion of the €42 million convertible bond issued in July 2008.

Share Placing
In June 2009, the Company announced the Placing of 431,883,450 new ordinary shares of €0.001 each at a price of sterling 3.3 pence per new ordinary share. The Placing, arranged through Cenkos Securities plc in London, raised £14.3 million (€16.9 million) before expenses, with the proceeds being used to further strengthen Providence's balance sheet by reducing debt levels and providing working capital for future investments in revenue enhancing projects.

$100 Million Facility with BNP Paribas
Yesterday, the Company announced that it had arranged a new US$100 million senior secured reducing borrowing base facility with BNP Paribas. The proceeds of this new facility will be used to repay the drawn portion (US$56 million) of the Macquarie Facility and to fund Providence's general E&P business as well as its expansion into gas storage and trading through EIRGAS. The facility has a term maturity of September 2014 and is priced in accordance with other borrowing base facilities in the market. The US$250 million Macquarie facility will now be cancelled.

OPERATIONAL HIGHLIGHTS - PRODUCTION

Kinsale Head Gas Fields and Storage (40.0% Interest)

- **Exercised option to acquire 40% of Kinsale Head area assets from PETRONAS**

Earlier this month, the Company announced that its' wholly owned subsidiary, EIRGAS, had exercised an option with PETRONAS to acquire a 40% interest in the 100% operated Kinsale Head Area comprising the Kinsale Head, South West Kinsale and Ballycotton gas fields. As part of the same transaction, EIRGAS also exercised an option to acquire a 40% interest in the 86.5% operated adjacent producing Seven Heads gas field.

Under the terms of the Option Agreement, EIRGAS is purchasing its' 40% stake in the Kinsale Head Area assets on the same pro-rata terms by which PETRONAS acquired its original 100% stake from Marathon Oil Corporation in April 2009. That transaction had a total value of US$180 million, effective from 1 January 2008. The EIRGAS transaction is subject to Irish regulatory approval and is expected to be completed in the first quarter of 2010.

As a result of this transaction, Providence will become Ireland's largest indigenous gas producer and will see its daily production double to over 4,000 BOEPD. As Ireland's only operating gas storage facility, Kinsale Head has great strategic and commercial importance. Through its affiliation with PETRONAS, and by working with the experienced management team at Kinsale Energy, Providence now has an important role to play in leading the development of further gas production, gas storage and potential CO_2 sequestration opportunities.

Onshore UK – Singleton (99.125% interest)

- **Production - Plan to exceed 1,000 BOEPD by doing the following:**
  - **2010 Drilling Plan**
  - **Production Enhancement**
  - **Gas Monetisation**
  - **Hydraulic Fracturing**

Production - Plan to exceed 1,000 BOEPD

Following the successful SNX10 development well, which came on production in Q2 2009, oil production at the field increased by 250 BOPD (or 50%). Further work has now indicated that Providence can expect to exceed its stated objective of increasing field production to over 1,000 BOEPD during 2010. The production increase is expected to be achieved through a phased programme of activities on the field, as outlined below.

2010 Drilling Plan

Recent technical studies have revealed a number of further infill drilling opportunities which would enhance both the production rates and ultimate reserve potential of the Singleton Field. Providence has high-graded a location in the western part of the south fault block for a new development well. Planning operations for drilling this new well during the first half of 2010 have commenced, and discussions are taking place with rig operators to secure a rig. It is planned that the well will be longer than the recent successful SNX-10 well, with an objective to intersect twice as much reservoir section. Studies indicate that initial flow-rates of up to c. 400 BOEPD could be achievable due to the extra reservoir exposure and the higher reservoir pressures expected in this area.

Production Enhancement

Providence continually works to maximise production and reserves from the existing production wells at Singleton. The Company has designed a major well production enhancement programme which it will carry out over the coming months. This includes acid stimulation aimed at increasing well productivity, thereby increasing oil rates and reserves. Further optimisation will be carried out on the artificial lift mechanisms on one of the wells, with a new jet pump configuration to be installed in Q1 2010 in order to maximise oil rate and reserve potential. The production enhancement programme is expected to yield up to c.100 BOEPD of increased production in the short term.

Gas Monetisation

At present, around 200 BOEPD of gas at Singleton is flared. Having completed its review of the gas monetisation project, Providence has concluded that the most economically beneficial manner in which to monetise the gas is now through a Gas-To-Wire (GTW) power generation scheme. This involves increasing the current onsite gas fired electrical generation capacity and exporting the power to the national grid. The initial phase of the GTW project is scheduled to be completed by the end of Q1 2010 and will result in the monetization of c. 60 BOEPD of gas. The final phase of the project should be operational by Q4 2010, which will increase gas monetisation to c. 200 BOEPD.

Hydraulic Fracturing
Providence has recently engaged industry fracture stimulation experts StrataGen (formerly Pinnacle Technologies) to undertake a study on hydraulic fracturing within the Singleton field. Pending the final outcome of the study, Providence plans to perform fracture stimulation in an existing production well during the first half of 2010. Fracture stimulation has the potential to dramatically increase oil production, with indications that up to a 3 fold increase in initial oil rate per well may be possible. Depending on the results, further wells may be included in the programme.

Gulf of Mexico, Offshore US

- **Commencement of Production at Galveston A 155**
- **Vermillion 60 Production Boost**
- **Future Plans**
  - **Enhancing Production Rates & Evaluating Drilling Opportunities**
  - **Re-instating Production Impacted by Hurricanes**

Commencement of Production at Galveston A 155 (10.8% interest)
In August 2009, Providence's new Galveston Island A-155 gas field in the US Gulf of Mexico was successfully brought online with the first gas sales occurring at the end of that month. This new field, which is located c.100 kilometres off the US coast, and in which Providence holds a non-operated 10.8% working interest, underwent a fast-track development with first gas achieved within 17 months of discovery. The field has been developed with a dedicated unmanned production platform connected to a new 30 kilometre long gas export pipeline.

Vermillion 60 Production Boost (50.0% Interest)
In May 2009, the Company successfully re-completed a well at its Vermillion 60 (VR 60) field in which it holds a 50% working interest. Having re-entered the existing A7 well from the VR60 platform, production rates were increased some 30 fold to 10 MMSCFGD gross (600 BOEPD* net to Providence).

Future - Evaluating Drilling Opportunities
Following the earlier success of re-completion activities at Vermillion 60, a number of other re-completion opportunities are being evaluated throughout the Company's Gulf of Mexico portfolio. In addition, the Company has a number of drilling opportunities which are currently being examined for potential activity later this year, pending partner agreement and rig availability/rates.

Future - Reinstating Production Impacted by Hurricanes
The Company has a targeted programme to increase production rates from its portfolio in the Gulf of Mexico. Specifically, the Company is reinstating production shut in from last year's hurricanes. Of the three assets which were impacted, High Island A268 was brought back on stream in early 2009, the delayed

Galveston A-155 project commenced production in August 2009, and Ship Shoal 253 is still undergoing final remedial work. At Ship Shoal 253, repairs to third party export pipelines have taken longer than anticipated, and it is now expected that production will recommence in mid Q4 at a rate of 250 BOEPD net to Providence.

OPERATIONAL HIGHLIGHTS - DEVELOPMENT/APPRAISAL

- **Spanish Point, Porcupine Basin, Offshore Ireland**
- **AJE Field, Offshore Nigeria**
- **Celtic Sea Basin, Offshore Ireland**
- **St George's Channel Basin, Offshore Ireland/UK**

Spanish Point– Porcupine Basin, Ireland (56.0% Interest)

- **3-D Seismic programme completed**

In July, the Company completed a 3D seismic survey programme on its Spanish Point licence in the Porcupine Basin, offshore Ireland on behalf of its partners Chrysaor and Sosina. This survey was acquired using the BOS Angler 3D seismic survey vessel and covered an area of over 300 km^2 - primarily over the Jurassic Spanish Point gas condensate discovery. Providence has since awarded the data processing contract to WesternGeco Limited. Under the terms of the previously agreed farm out, Chrysaor may undertake to finance the drilling of up to two appraisal wells where it will commit not less than 60% cost share, whilst also capping the other partners' cost share, to earn an additional interest of up to 40%, thereby reducing the other partners' stakes pro rata. We expect to be able to provide further updates on Spanish Point in the coming period.

AJE Field, Offshore Nigeria (5.0% Interest)

- **AJE development deemed to be commercially viable**

In February 2009, the AJE Field was deemed a commercial discovery by the partnership comprising Chevron, Vitol, EER, YFP and Providence. The partnership subsequently authorised Chevron, as Technical Advisor to the Operator, to prepare a Development Plan for the AJE Field. This is presently ongoing.

Celtic Sea Basin, Offshore Ireland (72.5% Interest)

- **Development studies underway**

Following last year's drilling programme, the Celtic Sea partnership is considering how best to move forward on a number of discoveries in the region. With the gas prospects now largely linked to any future development plans at Kinsale Head, of which Providence has now secured a 40% interest, the focus has shifted to how best to exploit the significant oil potential in the basin. A number of development studies have already been completed, and the Company is currently in discussion with an industry partner on the possible development of one of the proven oil fields. We hope to provide further updates over the coming months.

St George's Channel Basin, Offshore Ireland (100.0% Interest)

- **SEL 1/07 Licence area expanded**

In March 2009, the Company was granted an increase in the areal extent of its 100% operated Standard Exploration Licence (SEL) 1/07 in the St George's Channel Basin, offshore south-east Ireland, by the Department of Communications, Energy and Natural Resources. This revised licence authorisation contains the mapped extension into Irish waters of Marathon's proven UK Dragon gas field, which was discovered in 1994.

OPERATIONAL HIGHLIGHTS – EXPLORATION

- **Dunquin, Porcupine Basin, Offshore Ireland**
- **Newgrange, Goban Spur Basin, Offshore Ireland**
- **Drombeg, Porcupine Basin, Offshore Ireland**
- **Cuchulain, Porcupine Basin, Offshore Ireland**

Dunquin, Porcupine Basin (16.0% Interest)

- **ENI Farms In for 40% Interest**
- **Dunquin Well Commitment**

ENI Farms In for 40% Interest
In August, 2009, the Company announced that ENI had farmed into Frontier Exploration Licence 3/04 ('Dunquin'). Under the terms of the farm-in agreement, ENI assumed a 40% interest in the Dunquin licence with ExxonMobil holding a 40% operated stake, whilst Providence and Sosina retained 16% and 4% equity positions, respectively.

Dunquin Well Commitment
Also in August 2009, the Company confirmed that the Dunquin partners – comprising the Operator, ExxonMobil, and partners, ENI, Providence and Sosina – had notified the Irish Department of Communications, Energy and Natural Resources that they have elected to enter the second phase of the licence. This second phase carries a firm well commitment within the Dunquin licence.

Newgrange, Goban Spur Basin (16.0% Interest)

The Newgrange Licence Option is 150 km south of the Dunquin Prospect, covering an area in excess of 4,000 sq. km. This Licensing Option is operated by Providence with the main prospect being Newgrange, which is a large four-way dip closed prospect extending over an area of around 1,000 sq km. Mean recoverable prospective resource potential for the Newgrange Prospect is c.10 TSCF. Newgrange is currently the subject of an ongoing farm out campaign.

Drombeg, Porcupine Basin (16.0% Interest)

ExxonMobil (80%), Providence (16%) and Sosina (4%) were awarded 13 blocks in the Porcupine Basin under the 2007 Irish Porcupine bidding round. These blocks lie close to and southwest of the Dunquin licence in water depths of c.2,000-3,000 meters and contain the Drombeg Prospect. ExxonMobil, as Operator, carried out a 2D seismic survey over the acreage in June 2008. These data are currently being evaluated and should help to better define the prospectivity of the Drombeg area.

Cuchulain, Porcupine Basin (3.2% Interest)

In August 2009, as part of the Dunquin farm in deal, ExxonMobil, Providence and Sosina took a cumulative 40% interest in ENI's Frontier Exploration Licence 1/99 (FEL1/99), with the equity split 36%, 3.2% and 0.8% respectively. FEL 1/99 covers a total of six offshore blocks (c. 1,500 sq kilometres) and contains the Cuchulain Prospect. ENI retains a 60% interest and is Operator of FEL 1/99.

Kish Bank Basin and ULYSSES Project (50.0% Interest)

In August 2008, Star/PETRONAS and Providence were awarded a three year Licensing Option over eight blocks in the Kish Bank Basin, offshore Dublin, and commenced the "ULYSSES Project" – a study to assess the potential for gas storage and CO_2 sequestration of underground saline reservoirs in the Kish Bank Basin. The study is being carried out on a 50/50 joint venture basis. Separately, the partners have identified a large exploration prospect in the Kish Bank Basin called Dalkey Island, which is located in shallow waters some eight kilometres offshore Dublin.

ENERGY AND THE ENVIRONMENT

The Company is committed to supplying energy in an environmentally responsible manner with its ongoing exploration and development initiatives being carried out in compliance with all relevant environmental rules and regulations.

OUTLOOK

Providence has an extensive array of production, development and exploration assets, and continues to be partnered by a number of world class operators. We have recently added to our range of established activities by entering the gas storage and trading market – an area where we see enormous potential. On top of this, commodity prices have now rebounded from their lows at the beginning of 2009, and worldwide demand for energy is expected to resume its growth. These factors combined give us great confidence in the performance of our business and we believe that our shareholders have a truly unique investment platform and can look to the future with optimism.

Tony O'Reilly
Chief Executive **September 30, 2009**

Providence Resources Plc

Condensed consolidated income statement
For the 6 months ended 30 June 2009

	6 months to 30 June 2009	6 months to 30 June 2008	Year ended 31 December 2008
	Unaudited €'000	**Unaudited €'000**	**Audited €'000**
Continuing operations			
Revenue	10,464	11,237	24,814
Cost of sales	(7,183)	(4,157)	(13,571)
Gross profit	**3,281**	**7,080**	**11,243**
Administration expenses	(1,431)	(1,644)	(2,784)
Pre-licence expenditure	(165)	(453)	(927)
Impairment of exploration and evaluation assets	-	-	(49,743)
Profit/(loss) from operating activities	**1,685**	**4,983**	**(42,211)**
Finance income	25	79	487
Finance expenses	(7,290)	(1,808)	(8,294)
(Loss)/profit before income tax	**(5,580)**	**3,254**	**(50,018)**
Income tax expense	(1,005)	(4)	(1,175)
(Loss)/profit for the financial period	**(6,585)**	**3,250**	**(51,193)**
(Loss)/ earnings per share (cent)			
Basic (loss)/earnings per share	**(0.263)**	**0.131**	**(2.060)**
Diluted (loss)/earnings per share	**(0.263)**	**0.125**	**(2.060)**

Providence Resources Plc

Condensed consolidated statement of comprehensive income for the 6 months to 30 June 2009

	6 months to 30 June 2009	6 months to 30 June 2008	Year ended 31 December 2008
	Unaudited **€'000**	**Unaudited** **€'000**	**Audited** **€'000**
(Loss) / profit for the financial period	(6,585)	3,250	(51,193)
Foreign exchange translation differences	2,371	541	(4,443)
Net change in fair value of available for sale equity instruments	40	(299)	-
Net change in fair value of available for sale equity instruments, transferred to income statement	-	299	-
Net change in fair value of cash flow hedges transferred to income statement	(4,002)	-	(2,200)
Cashflow hedges - net fair value movement	(4,411)	-	12,267
- related deferred tax	2,417	-	(3,020)
Total comprehensive (expense)/income	(10,170)	3,791	(48,589)

Providence Resources Plc

Condensed consolidated statement of financial position
As at 30 June 2009

	30 June 2009 Unaudited €'000	30 June 2008 Unaudited €'000	31 December 2008 Audited €'000
Assets			
Exploration and evaluation assets	9,676	36,443	9,505
Development and production assets	84,410	78,285	78,172
Property, plant and equipment	172	133	193
Available for sale assets	259	660	219
Deferred tax assets	3,962	1,897	3,962
Derivative instruments	2,177	-	9,604
Total non-current assets	**100,656**	**117,418**	**101,655**
Trade and other receivables	4,111	9,133	5,412
Derivative instruments	138	-	463
Restricted cash	2,520	-	13,027
Cash and cash equivalents	17,327	3,300	9,664
	24,096	**12,433**	**28,566**
Assets classified as held for sale	9,716	-	9,491
Total current assets	**33,812**	**12,433**	**38,057**
Total assets	**134,468**	**129,851**	**139,712**
Equity			
Share capital	14,609	14,172	14,172
Share premium	71,836	56,309	56,309
Capital conversion reserve fund	623	623	623
Convertible bond - equity portion	2,944	-	2,944
Singleton revaluation reserve	3,114	3,357	3,206
Foreign currency translation reserve	(2,289)	324	(4,660)
Share based payment reserve	1,801	1,279	1,597
Macquarie loan warrants reserve	5,641	5,633	5,641
Cashflow hedge reserve	1,051	(764)	7,047
Available for sale reserve	40	-	-
Retained earnings	(91,401)	(30,615)	(84,908)
Total equity attributable to equity holders of the Company	**7,969**	**50,318**	**1,971**
Liabilities			
Loans and borrowings	83,398	40,386	77,843
Deferred tax liabilities	16,447	11,490	16,001
Decommissioning provisions	5,565	4,948	4,762
Total non-current liabilities	**105,410**	**56,824**	**98,606**
Trade and other payables	16,596	8,030	27,638
Loans and borrowings	4,493	13,373	11,497
Derivative instruments	-	1,306	-
Total current liabilities	**21,089**	**22,709**	**39,135**
Total liabilities	**126,499**	**79,533**	**137,741**
Total equity and liabilities	**134,468**	**129,851**	**139,712**

Condensed consolidated statement of cash flows
For the 6 months ended 30th June 2009

	6 months to 30 June 2009	6 months to 30 June 2008	Year ended 31 December 2008
	Unaudited	**Unaudited**	**Audited**
	€'000	**€'000**	**€'000**
Cash flows from operating activities			
(Loss)/profit before income tax for the year	(5,580)	3,254	(50,018)
Adjustments for:			
Depletion and depreciation	3,607	2,365	7,398
Abandonment provision	673	-	-
Impairment of exploration and evaluation assets	165	453	50,670
Finance income	(25)	(79)	(487)
Finance expense	7,290	1,808	8,294
Equity-settled share based payment charge	205	311	629
Change in trade and other receivables	1,301	(4,599)	(832)
Change in trade and other payables	(11,042)	(5,426)	12,877
Change in restricted cash	10,507	-	(13,073)
Foreign exchange adjustments	-	541	-
Interest paid	(4,224)	(151)	(3,212)
Tax paid	-	-	(4)
Net cash inflow/(outflow) from operating activities	**2,877**	**(1,523)**	**12,242**
Cash flows from investing activities			
Interest received	25	79	487
Acquisition of exploration and evaluation assets	(171)	(5,916)	(35,992)
Acquisition of development and production assets	(9,999)	(48,086)	(8,906)
Acquisition of property, plant and equipment	(44)	(44)	(131)
Acquisition of available for sale assets	(225)	-	(3,250)
Acquisition of subsidiary undertaking	-	-	(43,278)
Net cash used in investing activities	**(10,414)**	**(53,967)**	**(91,070)**
Cash flows from financing activities			
Proceeds from issue of share capital	16,968	1,080	1,080
Payment of transaction costs	(1,004)	-	-
Repayment of loans and borrowings	(7,245)	-	(12,034)
Proceeds from drawdown of loans and borrowings	5,868	46,314	88,963
Net cash from financing activities	**14,587**	**47,394**	**78,009**
Net increase/(decrease) in cash and cash equivalents	**7,050**	**(8,096)**	**(819)**
Cash & cash equivalents at 1 January	9,664	11,396	11,396
Effects of exchange rate fluctuations on cash and cash equivalents	613	-	(913)
Cash and cash equivalents at 30 June	**17,327**	**3,300**	**9,664**

Providence Resources Plc

Condensed consolidated statement of changes in equity for the six months to 30 June 2009

	Share Capital	**Share Premium**	**Capital Conversion Reserve Fund**	**Convertible Bond - equity portion**	**Singleton Revaluation Reserve**	**Foreign Currency Translation Reserve**	**Share Based Payment Reserve**	**Macquarie Loan Warrants Reserve**	**Cashflow Hedge Reserve**	**Available for sale reserve**	**Retained Earnings**
At 1 January 2009	14,172	56,309	623	2,944	3,206	(4,660)	1,597	5,641	7,047	-	(84,908)
Loss for the year	-	-	-	-	-	-	-	-	-	-	(6,585)
Currency translation	-	-	-	-	-	2,371	-	-	-	-	-
Share issued	437	15,527	-	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	204	-	-	-	-
Transfer from singleton revaluation reserve	-	-	-	-	(92)	-	-	-	-	-	92
Gain on available for sale assets	-	-	-	-	-	-	-	-	-	40	-
Cashflow hedge movement	-	-	-	-	-	-	-	-	(5,996)	-	-
At 30 June 2009	**14,609**	**71,836**	**623**	**2,944**	**3,114**	**(2,289)**	**1,801**	**5,641**	**1,051**	**40**	**(91,401)**

Providence Resources Plc

Condensed consolidated statement of changes in equity for the six months to 30 June 2008

	Share Capital	Share Premium	Capital Conversion Reserve Fund	Convertible Bond - equity portion	Singleton Revaluation Reserve	Foreign Currency Translation Reserve	Share Based Payment Reserve	Macquarie Loan Warrants Reserve	Cashflow Hedge Reserve	Available for sale reserve	Retained Earnings
At 1 January 2008	14,162	55,239	623	-	3,357	(217)	968	3,666	-	-	(33,865)
Profit for the year	-	-	-	-	-	-	-	-	-	-	3,250
Currency translation	-	-	-	-	-	541	-	-	-	-	-
Macquarie Warrants		-	-	-	-	-	-	1,967	-	-	-
Share issued	10	1,070	-	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	311	-	-	-	-
Transfer from singleton revaluation reserve	-	-	-	-	-	-	-	-	-	-	-
Gain on available for sale assets	-	-	-	-	-	-	-	-	-	-	-
Cashflow hedge movement	-	-	-	-	-	-	-	-	(764)	-	-
At 30 June 2008	**14,172**	**56,309**	**623**	**-**	**3,357**	**324**	**1,279**	**5,633**	**(764)**	**-**	**(30,615)**