Providence Resources P.l.c.
2019 Half Year Results

Dublin and London – September 12, 2019 - Providence Resources P.l.c. (PVR LN, PRP ID), the Irish based Energy Company, today announces its unaudited interim results for the half year ended June 30, 2019.

Tony O'Reilly, Chief Executive Officer commented:
"The first half of 2019 was a very difficult period for the Company where we had endure significant delays for key operational related consents at Barryroe, manage the increasingly negative political climate action agenda and, post period-end, continue to deal with the delays in the payment of the funds due from APEC Energy Enterprises in respect of the Barryroe farm-out, implement a major corporate re-engineering process and execute a Placing to provide essential working capital for our business.

Earlier this morning, we announced a conditional placing to raise approximately US$ 3.762 million with the proposed issuance of 59,765,890 million ordinary shares at £0.051 per share. The need for the Placing arises from the ongoing delays to the receipt of the US$9 million loan advance due to the Company from APEC. This Placing is required to fund the costs associated with the re-engineering of the Company's business model, to fund the balance of the costs associated with the acquisition of the site survey and to provide working capital to cover general, administrative and licence operational costs for the period through to the beginning of February 2020. The placing is subject to approval of shareholders at an EGM to be convened on September 30, 2019.

Providence has been at the forefront of promoting exploration offshore Ireland for over two decades. During that period, the Company has been successful in concluding a number of significant farm-out transactions with some of the world's largest energy companies. Our success in farming out these projects has led to Providence's role changing from Operator to non-operating partner. This, combined with other factors such as the lack of new licensing opportunities offshore Ireland and a limitation being placed on pursuing international expansion, led the Company to re-engineer its business model, which, unfortunately has resulted in a significant decline in our staffing requirements and a reduction in the size of the Board. The implementation of this re-engineering has been difficult for all parties and I want to express my sincere appreciation to all of our staff and fellow directors who have or are soon to leave the Company and who have made such a meaningful contribution to the Company over the years. On a personal note, I would like to add what an honour it has been to work with them over many years and how hard it has been to part with the team in recent weeks.

Our other major focus during the past nine months has been to respond to the Climate Emergency Measures Bill, which is currently in a legislative 'limbo', but which has already caused significant damage to sentiment and investment interest in offshore Ireland. Providence, like all operators offshore Ireland, believe that there needs to be a well thought through plan of action on climate related matters whilst also ensuring that Ireland continues to have its own source of indigenous oil and gas supply in order to avoid the increased risk of any energy supply shocks as a result of Ireland becoming even more reliant on imported oil and gas from places like Russia and the Middle East.

Despite the significant political and commercial headwinds that we have faced, the materiality of both our portfolio and investment in offshore Ireland remains, and the Board remain focused on realising value for all of our shareholders."

H1 2019 OPERATIONAL HIGHLIGHTS

- **Barryroe, North Celtic Sea (SEL 1/11)**

- In February 2019, the "COSLInnovator" semi-submersible drilling unit was nominated by COSL;
- In February 2019, a new site survey application was submitted;
- In April 2019, an application was made to convert SEL 1/11 to a Lease Undertaking;
- The loan advances to EXOLA for certain project and operational costs were increased from US$ 19.5 million to US$ 24 million;
- In June 2019, the Company agreed an extension for the receipt of the initial US$ 9 million loan advance to July 5, 2019, which was subsequently extended through various extensions to September 30, 2019.

- **Avalon, Southern Porcupine (FEL 2/19)**

- In February 2019, Ministerial consent was given for the conversion of LO 16/27 into FEL 2/19;
- In March 2019, the JV Partners licensed c. 1,500 km^2 of multi-client 3D ("MC3D") seismic data over FEL 2/19 which forms part of the larger Crean 3D seismic survey which was acquired by TGS in 2017.

- **Dunquin South, Southern Porcupine (FEL 3/04)**

- In June 2019, the Dunquin JV partners agreed to defer the planned 2019 well-site survey programme.

OTHER LICENCE ACTIVITY

- **Spanish Point, Northern Porcupine (FEL 2/04)**

- Under discussion with the regulatory authorities.

- **Dragon, St. George's Channel (SEL 2/07)**

- Under discussion with the regulatory authorities.

- **Hook Head, North Celtic Sea (SEL 1/07)**

- Subject of Lease Undertaking application.

- **Helvick/Dunmore, Celtic Sea (Lease Undertaking)**

- Subject to MFDevCO work programme.

- **Kish Bank, Kish Bank Basin (SEL 2/11)**

- Under discussion with the regulatory authorities.

H1 2019 FINANCIAL HIGHLIGHTS

- Operating loss for the period of € 5.307 million (which includes Newgrange impairment of €2.9 million and restructuring costs of € 0.580 million) versus € 2.210 million in 2018
- Loss before tax of € 5.543 million versus € 2.371 million in 2018
- Loss per share of 0.93 cents versus 0.40 cents in 2018
- At June 30, 2019 total cash & cash equivalents were € 1.788 million (€ 12.355 million: June 30, 2018)
- The Company had no debt at June 30, 2019 (nil: June 30, 2018)
- The total issued and voting share capital at June 30, 2019 was 597,658,958 ordinary shares of € 0.10 each

POST H1 2019 EVENTS - LICENCES

- **Barryroe, North Celtic Sea (SEL 1/11)**

- Commencement of the site survey over SEL 1/11 started on September 4, 2019.

- **Newgrange, Goban Spur (FEL 6/14)**

- Relinquishment of Licence in September 2019.

- **Avalon, Porcupine Basin (FEL 2/19)**

- Evaluation of 3D seismic data by TOTAL ongoing.

POST H1 2019 EVENTS - RE-ENGINEERING OF PROVIDENCE'S BUSINESS MODEL

- On June 28, 2019, the Company announced that the Board had carried out a strategic review of the Company's operations to ensure that its business model continues to be 'fit for purpose'. As a result, the Board concluded that there was an immediate requirement to re-engineer Providence's business model to reflect the changes evident in its operating environment.

- This re-engineering reflected a number of material factors, including:

- The Company's success in farming out the majority of its portfolio, which has led to:
  - the transfer of Operatorship in most of the Company's key assets; and
  - a substantially reduced technical role for the Company;
- The fact that the Company is not a revenue generating Company:
  - the Company's past two years of working capital have been financed solely through the completion of farm-out deals with third parties; and
- The inability to pursue international expansion.

- Since that announcement, the Company has continued to progress this business re-engineering by implementing a project-based, outsourced business model which is more aligned with the current reduced and sporadic nature of its operated activities.

- The Company engaged in a consultation process with its staff and its Board and the following actions were identified as necessary:

- The Company will vacate its current Dublin office in early Q4 2019 (at the expiry of the current lease) and re-locate to a smaller serviced facility in Dublin;
- All technical and support staff will be made redundant;
- The use of various services providers and advisors will be reduced.

- As part of the re-engineering process, the Board also agreed to reduce the size and composition of the Board consistent with Providence's current business needs as follows:

- John O'Sullivan, Technical Director, stepped down from the Board on August 5, 2019;
- James McCarthy, Non-executive Director, will not seek re-election at the 2019 Annual General Meeting ("AGM") being held in Dublin later today;
- Lex Gamble, Non-Executive Director, who previously agreed to step down on December 31, 2019, will now step down at the end of September 2019; and
- Philip O'Quigley, Non-executive Director, who previously agreed not to seek re-election at the 2020 AGM, will now also step down at the end of September 2019.

- The Company projects that, when implemented, the annual cost base of the business (excluding CAPEX) will be reduced to US$1.9 million from US$5.3 million, representing a c.65% reduction in total annualised costs.

POST H1 2019 EVENTS - RESTRUCTURING OF SUBSIDIARIES

- The Board is also streamlining its corporate structure to three wholly owned subsidiaries:
  - EXOLA Designated Activity Company ("DAC") is the subsidiary which holds a 40% interest in SEL 1/11 (Barryroe);
  - Providence Porcupine DAC is the subsidiary that will hold[1] our Porcupine exploration interests[2], namely 28% of FEL 2/14 (Diablo), 40% of FEL 2/19 (Avalon) & 26.846% of FEL 3/04 (Dunquin South):
  - Providence Renewables DAC is the subsidiary that will be used by the Company for any future potential activities in the renewable energy arena.

PLACING

- On September 12, 2019, the Company announced that it has conditionally raised approximately US$ 3.762 million (before expenses) through the issue of 59,765,890 new ordinary shares in the Company to institutional and other investors at a price of £0.051 per share (the Placing).
- The Placing Price represents a discount of approximately 7.3% to the closing price of £0.055 per Existing Ordinary Share on 10 September 2019, being the latest practicable date on which the Company's shares traded on AIM and Euronext Growth ahead of the announcement of the Placing.
- Following their issue, the Placing Shares will represent approximately 9.09% of the Enlarged Share Capital.
- The need for the Placing arises from the ongoing delays to the receipt of the US$ 9 million loan advance due to the Company from APEC Energy Enterprises Limited.
- Shareholders should note that, if the Company does not receive the proceeds of the Placing, the Company's ability to continue as a going concern will be compromised.
- It is anticipated that the net proceeds of the Placing will be used principally for the following purposes:
  - To fund the costs associated with the re-engineering of the Company's business model;
  - To fund the balance of the costs associated with the acquisition of the site survey at Barryroe; and
  - To fund general working capital to cover general, administrative and licence operating costs for the period to the beginning of February 2020 and including expenses incurred by the Company in connection with the Placing.
- As described above, the net proceeds of the Placing will only provide working capital in respect of general, administrative and licence operating costs for the period to the beginning of February 2020. Accordingly, the Board is currently undertaking a strategic review of the options available to the Company on future financing alternatives to finance future working capital obligations beyond that date. Further information regarding the outcome of this strategic review will be made available at the appropriate time.

[1] Subject to assignment by the Minister
[2] Other licence interests will continue to be held directly by the parent company, Providence Resources P.l.c.

OUTLOOK

The first half of 2019 has been a very difficult period for the Company. The key immediate focus remains on receiving the US$9 million loan advance from APEC and the receipt of required consents to be able to progress the future drilling programme at Barryroe. In terms of guidance on drilling, the Company is currently not in a position to provide guidance on the timeline as this is subject to the receipt of APEC funds and the consenting process, which in turn, was held up by the delayed consenting for the site survey. Notwithstanding this current timing uncertainty, the magnitude and value of our portfolio of assets offshore Ireland continues to grow and reflects the significant investment made by Providence and others over the past two decades. The Board remains singularly focused on developing and monetising this value for all of our shareholders.

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ANNOUNCEMENT & FORWARD-LOOKING STATEMENTS

This announcement contains certain forward-looking statements. Actual results may differ materially from those projected or implied in such forward-looking statements. Such forward-looking information involves risks and uncertainties that could significantly affect expected results. No representation is made that any of those statements or forecasts will come to pass or that any forecast results will be achieved. You are cautioned not to place any reliance on such statements or forecasts. Those forward-looking and other statements speak only as at the date of this announcement. Providence Resources P.l.c undertakes no obligation to update any forward-looking statements.

ABOUT PROVIDENCE RESOURCES PLC

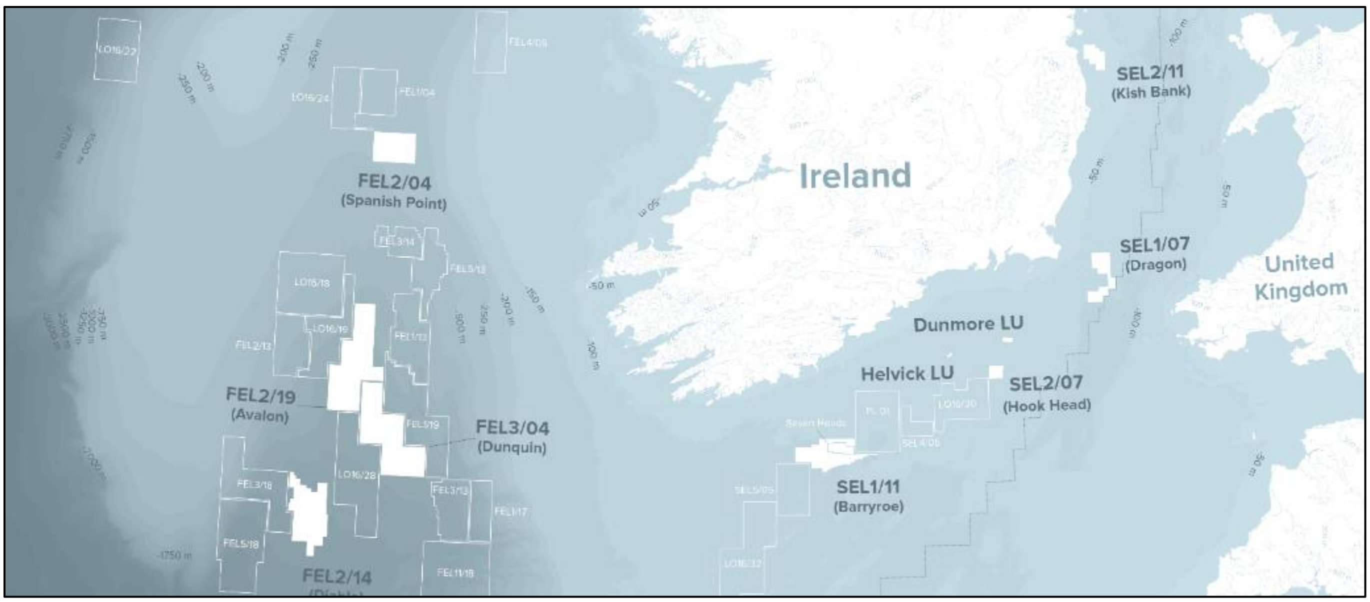
Providence Resources P.l.c. is an Irish based Oil & Gas Energy company with a portfolio of appraisal and exploration assets located offshore Ireland. Providence's shares are quoted on the AIM in London and the Euronext Growth market in Dublin. Further information on Providence can be found on www.providenceresources.com

SUMMARY OF LICENCE INTERESTS

Licence	Issued	Key Asset	Operator	Providence Partners	PVR %	Classification
SEL 1/11	2011	BARRYROE	PROVIDENCE*	APEC, LANSDOWNE	40.00	Oil discovery
SEL 2/07	2007	HOOK HEAD	PROVIDENCE	ATLANTIC, SOSINA	72.50	Oil & gas discovery
LU	2016	HELVICK	PROVIDENCE	ATLANTIC, SOSINA, LANSDOWNE, MFDEVCO	56.25	Oil & gas discovery
LU	2016	DUNMORE	PROVIDENCE	ATLANTIC, SOSINA,MFDEVCO	65.25	Oil discovery
FEL 2/04	2004	SPANISH POINT	CAIRN	CAIRN, SOSINA	58.00	Oil & gas discoveries
FEL 2/19	2019	AVALON	TOTAL	TOTAL, SOSINA	40.00	Oil & gas exploration
FEL 2/14	2014	DIABLO	TOTAL	TOTAL, CAIRN, SOSINA	28.00	Oil & gas exploration
FEL 3/04	2004	DUNQUIN SOUTH	ENI	ENI, REPSOL, SOSINA	26.85	Oil exploration
SEL 2/11	2011	KISH BANK	PROVIDENCE		100.00	Oil & gas exploration
SEL 1/07	2007	DRAGON	PROVIDENCE		100.00	Gas discovery

* Held through wholly owned subsidiary, EXOLA DAC.

MAP OF LICENCE INTERESTS



PROVIDENCE RESOURCES P.l.c.

Condensed consolidated income statement

For the 6 months ended 30 June 2019

	Notes	6 months ended 30 June 2019 Unaudited €'000	6 months ended 30 June 2018 Unaudited €'000	Year ended 31 December 2018 Audited €'000
Continuing operations				
Administration expenses	**2**	**(2,235)**	**(1,545)**	**(3,368)**
Pre-licence expenditure		**-**	**(55)**	**(334)**
Impairment of exploration and evaluation assets	**4**	**(3,072)**	**(610)**	**(723)**
Operating loss		**(5,307)**	**(2,210)**	**(4,425)**
Finance income		**22**	**41**	**96**
Finance expense	**3**	**(258)**	**(202)**	**(450)**
Loss before income tax		**(5,543)**	**(2,371)**	**(4,779)**
Income tax expense		**-**	**-**	**-**
Loss for the period		**(5,543)**	**(2,371)**	**(4,779)**
Loss per share (cent) – continuing operations				
Basic and diluted loss per share	**9**	**(0.93)**	**(0.40)**	**(0.80)**

The total recognised loss for the period is entirely attributable to equity holders of the Company.
The accompanying notes are an integral part of these condensed consolidated financial statements.

PROVIDENCE RESOURCES P.l.c.

Consolidated statement of comprehensive income

For the 6 months ended 30 June 2019

	Notes	6 months ended 30 June 2019 Unaudited €'000	6 months ended 30 June 2018 Unaudited €'000	Year ended 31 December 2018 Audited €'000
Loss for the financial period		**(5,543)**	**(2,371)**	**(4,779)**
OCI Items that may be reclassified into profit or loss				
Foreign exchange translation differences	**3**	**389**	**1,637**	**2,703**
Total expense recognised in other comprehensive income from continuing operations		**389**	**1,637**	**2,703**
Total comprehensive expense for the period		**(5,154)**	**(734)**	**(2,076)**

The total recognised expense for the period is entirely attributable to equity holders of the Company.
The accompanying notes are an integral part of these condensed consolidated financial statements.

PROVIDENCE RESOURCES P.l.c.

Consolidated statement of financial position

As at 30 June 2019

	Notes	30 June 2019 Unaudited €'000	30 June 2018 Unaudited €'000	31 December 2018 Audited €'000
Assets				
Exploration and evaluation assets	4	83,214	78,499	81,867
Property, plant and equipment		75	38	28
Intangible assets		-	35	-
Total non-current assets		83,289	78,572	81,895
Trade and other receivables	6	661	4,764	464
Cash and cash equivalents		1,788	12,355	7,617
Total current assets		2,449	17,119	8,081
Total assets		85,738	95,691	89,976
Equity				
Share capital	5	71,452	71,452	71,452
Share premium	5	247,918	247,918	247,918
Undenominated capital		623	623	623
Foreign currency translation reserve		9,281	7,826	8,892
Share based payment reserve		1,785	1,687	1,745
Retained deficit		(254,302)	(246,351)	(248,759)
Total equity attributable to equity holders of the company		76,757	83,155	81,871
Liabilities				
Decommissioning provision	8	7,674	7,208	7,406
Total non-current liabilities		7,674	7,208	7,406
Trade and other payables	7	1,307	5,328	699
Total current liabilities		1,307	5,328	699
Total liabilities		8,981	12,536	8,105
Total equity and liabilities		85,738	95,691	89,976

The accompanying notes are an integral part of these condensed consolidated financial statements.

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PROVIDENCE RESOURCES P.l.c.

Consolidated statement of changes in Equity

For the 6 months ended 30 June 2019

	Share Capital €'000	Undenominated capital €'000	Share Premium €'000	Foreign Currency Translation Reserve €'000	Share Based Payment Reserve €'000	Retained Deficit €'000	Total €'000
At 1 January 2019	**71,452**	**623**	**247,918**	**8,892**	**1,745**	**(248,759)**	**81,871**
Loss for financial period	-	-	-	-	-	(5,543)	**(5,543)**
Currency translation	-	-	-	389	-	-	**389**
Total comprehensive income	-	-	-	389	-	(5,543)	**(5,154)**
Transactions with owners, recorded directly in equity							
Share based payments in period	-	-	-	-	40	-	**40**
At 30 June 2019	**71,452**	**623**	**247,918**	**9,281**	**1,785**	**(254,302)**	**76,757**
At 1 January 2018	**71,452**	**623**	**247,918**	**6,189**	**1,502**	**(243,980)**	**83,704**
Loss for financial period	-	-	-	-	-	(2,371)	**(2,371)**
Currency translation	-	-	-	1,637	-	-	**1,637**
Total comprehensive income	-	-	-	1,637	-	(2,371)	**(734)**
Transactions with owners, recorded directly in equity							
Share based payments in period	-	-	-	-	185	-	**185**
At 30 June 2018	**71,452**	**623**	**247,918**	**7,826**	**1,687**	**(246,351)**	**83,155**
At 1 January 2018	**71,452**	**623**	**247,918**	**6,189**	**1,502**	**(243,980)**	**83,704**
Loss for financial year	-	-	-	-	-	(4,779)	**(4,779)**
Currency translation	-	-	-	2,703	-	-	**2,703**
Total comprehensive income	-	-	-	2,703	-	(4,779)	**(2,076)**
Transactions with owners, recorded directly in equity							
Share based payments	-	-	-	-	243	-	**243**
At 31 December 2018	**71,452**	**623**	**247,918**	**8,892**	**1,745**	**(248,759)**	**81,871**

The accompanying notes are an integral part of these condensed consolidated financial statements.

PROVIDENCE RESOURCES P.l.c.

Consolidated statement of cash flows

For the 6 months ended 30 June 2019

	6 months ended 30 June 2019	6 months ended 30 June 2018	Year ended 31 December 2018
	Unaudited	**Unaudited**	**Audited**
	€'000	**€'000**	**€'000**
Cash flows from operating activities			
Loss before income tax for the period	**(5,543)**	**(2,371)**	**(4,779)**
Adjustments for:			
Depletion and depreciation	**9**	**34**	**55**
Amortisation of intangible assets	**-**	**52**	**88**
Impairment of exploration and evaluation assets	**3,072**	**610**	**723**
Finance income	**(22)**	**(41)**	**(96)**
Finance expense	**258**	**202**	**450**
Equity settled share-based payment charge	**40**	**185**	**243**
Foreign exchange	**(13)**	**(197)**	**(677)**
Change in trade and other receivables	**(197)**	**2,896**	**7,196**
Change in trade and other payables	**608**	**(6,256)**	**(10,885)**
Net cash outflow from operating activities	**(1,788)**	**(4,886)**	**(7,682)**
Cash flows from investing activities			
Interest received	**22**	**41**	**96**
Acquisition of exploration and evaluation assets	**(4,013)**	**(2,633)**	**(5,043)**
Acquisition of property, plant and equipment	**(56)**	**(9)**	**(21)**
Net cash used in investing activities	**(4,047)**	**(2,601)**	**(4,968)**
Net decrease in cash and cash equivalents	**(5,835)**	**(7,487)**	**(12,650)**
Cash and cash equivalents at beginning of period	**7,617**	**19,603**	**19,603**
Effect of exchange rate fluctuations on cash and cash equivalents	**6**	**239**	**664**
Cash and cash equivalents at end of period	**1,788**	**12,355**	**7,617**

The accompanying notes are an integral part of these condensed consolidated financial statements.

PROVIDENCE RESOURCES P.l.c.
Note 1 - Accounting Policies

General Information
Providence Resources P.l.c ("the Company") is a Company incorporated and domiciled in the Republic of Ireland. The registration number of the Company is 268662 and the address of the registered office is Airfield House, Airfield Park, Donnybrook, Dublin 4, D04 CP49. The unaudited consolidated interim financial statements of the Company for the six months ended 30 June 2019 (the "Interim Financial Statements") include the Company and its subsidiaries (together referred to as the "Group"). The Interim Financial Statements were authorised for issue by the Directors on 11 September 2019.

Basis of accounting
These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2018 ('last annual financial statements'). They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The condensed set of financial statements included in this half-yearly financial report has been prepared on a going concern basis as the Directors consider that the Group has adequate resources to continue in operational existence for the foreseeable future.

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual report.

The Interim Financial Statements are presented in Euro, rounded to the nearest thousand, which is the functional currency of the Company and also the presentation currency for the Group's financial reporting.

Changes in significant accounting policies
Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in the last annual financial statements. The changes in accounting policies will also be reflected in the Group's consolidated financial statements as at and for the year ending 31 December 2019.

The Group has initially adopted IFRS 16 Leases from 1 January 2019. A number of other new standards are effective from 1 January 2019 but they do not have a material effect on the Group's financial statements.

IFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the Group, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments.

The Group has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019. Accordingly, the comparative information presented for 2018 has not been restated - i.e. it is presented, as previously reported, under IAS 17 and related interpretations.

PROVIDENCE RESOURCES P.l.c.
Note 1 cont'd - Accounting Policies

The Group adopted IFRS 16 Leases ("IFRS 16"), effective 1 January 2019 which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessee and lessor. The adoption of IFRS 16 eliminated the classification of leases as either operating leases or finance leases and introduced a single lessee accounting model. The Company, as a lessee, recognized right-of-use assets of €80,000 representing its rights to use the underlying assets and recognized lease liabilities of €80,000 representing its obligation to make lease payments as at 1 January 2019. At the 30 June 2019 the Company as a lessee has a recognised right-of-use assets of €45,000 and recognised lease liability of €45,000.

Adoption of IFRS 16 Leases

Definition of a lease
Previously, the Group determined at contract inception whether an arrangement was or contained a lease under IFRIC 4 Determining Whether an Arrangement contains a Lease ("IFRIC 4"). The Group now assesses whether a contract is or contains a lease based on the new definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The Group has availed of the practical expedient allowing leases previously classified as operating leases and ending within 12 months of the date of transition or deemed to be of an immaterial value of less than €1,000 to be accounted for as short-term leases. The right-of-use assets and lease liabilities are included in property, plant and equipment and trade and other payables on the face of the statement of financial position.

Going concern
The Directors have considered carefully the financial position of the Group and, in that context, have prepared the interim financial statements on a going concern basis.

The announced farm-out of Barryroe with APEC reduces the Group's cost exposure due to the expected receipt of funds from APEC in total of $24 million to cover the operator's costs associated with the Barryroe drilling program.

During July, August and September 2019, the Company agreed to further extensions of the initial $9 million loan advance due to cover the costs of the well-site survey and consenting. The balance of the loan advance of $15 million is payable prior to spudding the first well. The Directors believe that the delay in funds from APEC is due to the composition of the APEC funding mechanism.

The Directors also note the financial effect of the recently announced Business re-engineering model due to the business moving from operated assets to non-operated assets. This reduced the number of staff required by the Group and as a result the general and administration costs will reduce by c. 65% on an annualised basis.

As there is a continued delay in the funding from APEC, the Company announced on 12 September 2019 that it would be raising funds through a conditional Placing by the issue of new ordinary shares to institutional investors. The funds will provide financing through February 2020 and will cover the costs of the site survey and restructuring costs which are a result of the recently announced business re-engineering.

Should the APEC funds not be received, then longer term financing options will be required to ensure that the Group remains viable.

The Directors have considered the proposals put forward in the Petroleum and Other Minerals Development (Amendment) (Climate Emergency Measures) Bill 2018 ("Climate Emergency Measures Bill 2018") and have noted that the "money message" was announced in July 2019 which effectively extinguishes the bill.

PROVIDENCE RESOURCES P.l.c.
Note 1 cont'd - Accounting Policies

The environmental challenges to the industry will be on going and pose a potential risk to the overall business from slowing down investment and making borrowing costs more expensive.

The Directors have concluded, based on their consideration of the cash flow forecasts, including the underlying assumptions outlined above, taking all information that is currently available into account, including the recently announced conditional Placing and other options available to fund the commitments, including further farm-out arrangements, disposal of assets and other funding alternatives, and noting the main risk factor, being the failure to receive the loan advances from APEC, that the Group will have sufficient funds available over the next 12 months.

However, the continuing failure to receive the APEC loan advance represents a material uncertainty that may cast significant doubt upon the Group and Company's ability to continue as a going concern in the long term and that, therefore the Group and Company may be unable to continue realising assets and discharging liabilities in the normal course of business.

Nevertheless, after making enquiries and considering the uncertainties described above, the Directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future. For these reasons, the Directors have adopted the going concern basis in preparing the interim financial statements and the interim financial statements do not include any adjustments that would be necessary if this basis were inappropriate.

PROVIDENCE RESOURCES P.l.c.

Note 2 - Administration expenses

	6 months ended 30 June 2019	6 months ended 30 June 2018	Year ended 31 December 2018
	Unaudited	Unaudited	Audited
	€'000	€'000	€'000
Corporate, exploration and development expenses	2,248	2,159	4,766
Restructuring costs	580	-	-
Foreign exchange (gains)/losses, net	(86)	151	(216)
Total administration expenses for the period	**2,742**	**2,310**	**4,550**
Capitalised in exploration and evaluation assets	(507)	(765)	(1,182)
Total charged to the income statement	**2,235**	**1,545**	**3,368**

Note 3 - Finance Expense

	6 months ended 30 June 2019	6 months ended 30 June 2018	Year ended 31 December 2018
	Unaudited	Unaudited	Audited
	€'000	€'000	€'000
Unwinding of discount on decommissioning provision	213	75	382
Foreign exchange on decommissioning provision	45	127	68
Total finance expense recognised in income statement	**258**	**202**	**450**
Recognised directly in equity			
Foreign currency translation differences on foreign operations	389	1,637	2,703
Total foreign exchange recognised in equity	**389**	**1,637**	**2,703**

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Note 4
Exploration and evaluation assets

	€'000
Cost and book value	
At 1 January 2018	74,831
Additions	5,075
Cash calls received in period	(3,207)
Administration expenses capitalised	765
Impairment charge	(610)
Foreign exchange translation	1,645
At 30 June 2018	**78,499**
At 1 January 2018	74,831
Additions	7,499
Administration expenses capitalised	1,182
Cash call received in year	(3,638)
Impairment charge	(723)
Foreign exchange translation	2,716
At 31 December 2018	**81,867**
At 1 January 2019	81,867
Additions	3,702
Cash calls received in period	(196)
Administration expenses capitalised	507
Impairment charge	(3,072)
Foreign exchange translation	406
At 30 June 2019	**83,214**

The exploration and evaluation asset balance at 30 June 2019 primarily relates to the Barryroe (€63.1 million), Dunquin (€16.4 million), Avalon (€3.4 million) and others (€0.3m) licenses.

The directors have assessed the current activities ongoing within exploration and evaluation assets and have determined that an impairment charge of €3.1 million *(2018: €0.7 million)* (which is principally related to the Newgrange licence (€2.9 million)) is required at 30 June 2019.

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Note 5 - Share Capital and Share Premium

		Number	
Authorised:		**'000**	**€'000**
At 1 January 2019			
Deferred shares of €0.011 each		1,062,442	11,687
Ordinary shares of €0.10 each		986,847	98,685
At 30 June 2019			
Deferred shares of €0.011 each		1,062,442	11,687
Ordinary shares of €0.10 each		986,847	98,685
	Number	**Share Capital**	**Share Premium**
Issued:	**'000**	**€'000**	**€'000**
Deferred shares of €0.011 each	1,062,442	11,687	5,691
Ordinary share of €0.10 each	597,659	59,765	242,227
At 1 January 2018	597,659	71,452	247,918
At 30 June 2018	**597,659**	**71,452**	**247,918**
At 31 December 2018	**597,659**	**71,452**	**247,918**
At 30 June 2019	**597,659**	**71,452**	**247,918**

Note 6 - Trade and other receivables

	30 June 2019	30 June 2018	31 December 2018
	Unaudited	**Unaudited**	**Audited**
	€'000	**€'000**	**€'000**
VAT recoverable	72	56	59
Other receivables	-	445	5
Prepayments	190	132	172
Amounts due from joint operation partner	399	4,131	228
Total	**661**	**4,764**	**464**

Note 7 - Trade and other creditors

	30 June 2019	30 June 2018	31 December 2018
	Unaudited	**Unaudited**	**Audited**
	€'000	**€'000**	**€'000**
Accruals	882	1,297	401
Trade creditors	324	600	298
Amounts due to joint operation partner	56	3,431	-
Lease liability	45	-	-
Total	**1,307**	**5,328**	**699**

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Note 8 - Decommissioning provision

	30 June 2019	30 June 2018	31 December 2018
	Unaudited	Unaudited	Audited
	€'000	€'000	€'000
At beginning of year	7,406	6,956	6,956
Unwinding of discount	213	75	382
Foreign exchange loss	55	177	68
Total	**7,674**	**7,208**	**7,406**

Note 9 - Earnings per share

	6 months ended 30 June 2019	6 months ended 30 June 2018	Year ended 31 December 2018
	Unaudited	Unaudited	Audited
	€'000	€'000	€'000
Loss attributable to equity holders of the company from continuing operations	(5,543)	(2,371)	(4,779)
The basic weighted average number of Ordinary shares in issue ('000)			
In issue at beginning of year and end of period	597,659	597,659	597,659
Weighted average number of ordinary shares	597,659	597,659	597,659
Basic loss per share (cent) – continuing operations	**(0.93)**	**(0.40)**	**(0.80)**
Diluted loss per share (cent) – continuing operations	**(0.93)**	**(0.40)**	**(0.80)**

There is no difference between the loss per ordinary share and the diluted loss per share for the reported periods as all potentially dilutive ordinary shares outstanding are anti-dilutive.

Note 10 - Commitments

As at 30 June 2019, the Group has capital commitments of approximately €2.3m (31 December 2018: €5.1m) to contribute to its share of costs of exploration and evaluation activities.

Note 11 – Post Period Events

On 12 September 2019, the Company announced that it conditionally raised US$ 3.762 million (before expenses) through the issuance of 59,765,890 new ordinary shares in the Company to institutional and other investors at £0.051 per Placing share.