

SERICA ENERGY AGREES FARM-OUT IN IRELAND
RIG CONTRACTED TO DRILL IN 2009

London, 2 September 2008 - Serica Energy plc (AIM & TSX-V: SQZ) (“Serica” or “the Company”) has reached agreement with RWE Dea AG (“RWE”) for RWE to farm-in to Serica’s exploration licence PEL 01/06 covering three blocks in the southern Slyne Basin off the west coast of Ireland. Completion is subject to the receipt of the required Irish government approvals.

Serica currently has a 100% working interest in licence PEL 01/06 and has identified four prospects lying in the blocks, two of which exhibit strong amplitude anomalies and are ready to drill. Each of the prospects, if successful, has the potential to contain up to one trillion cubic feet of gas. Ireland has immediate and long-term needs for local gas supplies as it currently imports the bulk of its gas needs. Any sizeable discovery in the blocks, which lie to the south of the Corrib field under development by Shell, would be of major importance to Ireland’s energy supplies.

Under the terms of the farm-out agreement, RWE will earn a 50% working interest in PEL 01/06 in return for contributing on a promoted basis to the cost of drilling the first well under the licence, scheduled for the second quarter of 2009. Serica will remain as operator and retains the remaining 50% working interest in the licence.

To meet this drilling programme Serica announces that it has contracted the GSF Arctic II semi-submersible drilling rig to drill the first well. This well will test the Triassic Sherwood sandstone reservoir expected to be encountered in the blocks and will be drilled on either the Bandon or the Boyne prospect. The Sherwood sandstone is the gas-bearing reservoir in the Corrib field lying to the north of the licence. Further information on Serica’s interests in Ireland and of the Company’s drilling objectives in the licence can be found on Serica’s website at www.serica-energy.com

Serica Chief Executive, Paul Ellis, said:

“We are delighted to welcome RWE into our Irish exploration programme, which is focussed on unlocking the potential which we believe exists in our licence for the discovery of large prospective gas resources. Our activities in Ireland form part of our strategy to identify significant undiscovered hydrocarbon resources close to market in our two core areas. With the combination of RWE’s experience as a major European utility and Serica’s proven ability to identify and drill low-risk gas prospects, we look forward with considerable anticipation to the start of our programme offshore Ireland in 2009.”

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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