

Serica Energy plc

(“Serica” or the “Company”)

KAMBUNA OPERATIONS UPDATE

London, 21 October 2009 - Serica Energy plc (AIM & TSX-V: SQZ) provides an update on the Kambuna field, offshore Sumatra, Indonesia, in which Serica holds a 50% working interest.

After six weeks of production from the Kambuna field, commercial sales to PLN, the Indonesian state electricity generator, were temporarily suspended on 25 September at its request so that it could carry out necessary repairs to its gas turbine generators.

The turbine failures were unrelated to the composition of Kambuna gas, which was supplied well within the specifications for the export gas pipeline. Serica understands that PLN’s technical investigation into the cause of the failures will shortly be completed, at which time it is expected that gas and condensate sales will be resumed.

The gas sales contract with PLN provides for a contract quantity of 35 million standard cubic feet per day (“mmscfd”) for the first twelve months and it has already been demonstrated that rates in excess of this can be delivered. Once production resumes, every effort will be made to deliver in excess of 35 mmscfd on a best efforts basis. The buyer must pay for any shortfall in annual gas sales of less than 90% of the contract quantity under the “take or pay” provisions of the contract.

Further information on the Company is available on its website: www.serica-energy.com

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The technical information contained in the announcement has been reviewed and approved by Peter Sadler, Chief Operating Officer of Serica Energy plc. Peter Sadler is a qualified Petroleum Engineer (MSc Imperial College, London, 1982) and has been a member of the Society of Petroleum Engineers since 1981.

Forward Looking Statements

This disclosure contains certain forward looking statements that involve substantial known and unknown risks and uncertainties, some of which are beyond Serica Energy plc's control, including: the impact of general economic conditions where Serica Energy plc operates, industry conditions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. Serica Energy plc's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that Serica Energy plc will derive therefrom.

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