

# Serica Energy plc

("Serica" or the "Company")

## US\$98.6 million sale of assets

London, 7 December 2009 – Serica Energy plc (TSX Venture & AIM: SQZ) announces that it has reached agreement for the sale of some of its interests in South East Asia.

Serica has agreed to sell a package of assets in Indonesia and Vietnam to KrisEnergy Limited ("KrisEnergy"), a recently formed private E&P company based in Singapore. The assets to be sold comprise a 25% interest in the Kambuna gas field in Indonesia, a 24.6% interest in the Kutai PSC in Indonesia and a 33.33% interest in the Block 06/94 PSC in Vietnam. The consideration to be paid by KrisEnergy for these assets is US\$98.6 million in cash.

Following this sale, Serica's interests in Indonesia will comprise a 25% interest in the Kambuna field, a 30% interest in the Kutai PSC and a 100% interest in the East Seruway PSC. The Company will no longer hold any interests in Vietnam.

Coming shortly after the commencement of production from the Kambuna gas field in Indonesia, this sale will enable Serica to focus its resources on next year's exploration programme and on any suitable acquisitions.

Completion of this transaction is subject to joint venture partner and regulatory approvals. Serica's financial adviser is J.P.Morgan Cazenove

### **Paul Ellis, Chief Executive of Serica commented:**

*"I am delighted that we were able to reach this agreement with KrisEnergy since this provides Serica with capital to invest in our core growth areas into 2010. Having recently brought the Kambuna field into production we believe that this is the best time to monetise part of that asset.*

*We have an exciting exploration programme next year. In the UK we expect to be drilling two prospects in the first half of 2010, Oates and Conan, and in Indonesia we expect to be drilling two or three wells in the second half in the Kutai PSC. These are all prospects where Serica operates the licences.*

*With a strong balance sheet Serica will also be in a good position to take advantage of opportunities for investment."*

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### **Enquiries:**

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**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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