



Thursday 29 January 2004

## **Kyrgoil Holding Corporation and Petroleum Development Associates to complete Merger**

Toronto, Canada, - Kyrgoil Holding Corporation ('Kyrgoil') (TSX: 'KGO') and Petroleum Development Associates (Oil and Gas) Limited ('PDA') announce that all conditions precedent to completing the previously announced merger of the two companies have been satisfied and that the merger will be completed effective January 30, 2004. The merged company is to be called Serica Energy Corporation ('Serica'). The TSX Venture Exchange has conditionally approved the listing of the Serica common shares on Tier 2 of the exchange upon completion of the filing of the remaining transaction documents and such shares will thereafter be suspended from trading on the Toronto Stock Exchange. The number of Serica common shares outstanding will be 43,131,037 (56,117,545 on a fully diluted basis).

The merger is being completed following the previously announced disposition by Kyrgoil of its principal asset, a 50% interest in an oil refinery in the Kyrgyz Republic, and the completion by PDA of a private placement raising approximately Cdn\$7.7 million in gross proceeds.

Serica will continue PDA's business of oil and natural gas exploration and extraction in Indonesia, Spain and the United Kingdom, including a 10% working interest in Lematang PSC in Sumatra, Indonesia.

For further information please contact:

Serica Energy Corporation

Jonathan Wood

Telephone: 44 1483 523 960

Facsimile: 44 1483 427 007

James S. Steel, Q.C.

Telephone: (403) 252-6378

Facsimile: (403) 215-2404

*Neither the TSX Venture Exchange nor any other regulatory body has reviewed this release and therefore does not accept responsibility for the adequacy or accuracy of this release.*