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Serica Energy acquires additional interest in Indonesian block

Toronto, Aug. 22 / CNW / - Serica Energy Corporation (TSX Venture: SQZ) today announced that it has entered into an agreement with PT Medco Energi Internasional TBK to acquire a 15% interest in the Asahan Offshore Production Sharing Contract ("PSC") to add to its existing interest.

The acquisition is subject to the necessary government approvals and follows a recently announced farm-out of a 25% interest in the same block by Serica to Duinord Petroleum Inc. As a result of the two transactions, Serica will have a 55% working interest in the PSC following the completion of the Togar-1A well due to be drilled on the PSC in late September 2005.

Togar-1A well is expected to commence drilling immediately after completion of the Kambuna-2 well, which Serica is expecting to commence drilling shortly on the neighbouring Glagah Kambuna Technical Assistance Contract.

Serica operates both blocks, which are located offshore North Sumatra, Indonesia.

About Serica Energy Corporation

Serica Energy Corporation is an international oil & gas exploration and production company with primary activities in Indonesia, the UK North Sea and Spain. The Corporation has offices in the United Kingdom, Singapore and Jakarta and is a publicly traded company listed in Toronto, Canada on the TSX Venture Exchange with the share symbol "SQZ".

To receive company news releases via email, please contact heather@chfir.com and specify "Serica press releases" in the subject line.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. In addition, this release is not for distribution to U.S. Newswire Services or for dissemination in the United States.

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