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Serica Energy announces start of Kambuna-2 drilling in Indonesia

Toronto, September 12, 2005 - Serica Energy plc (TSX Venture: SQZ) announced today that it has started drilling the Kambuna-2 well offshore North Sumatra, the first well in a two-well program.

Kambuna-1, the field discovery well, flowed gas at 13.9 million standard cubic feet per day (MMscf/d), along with 950 bbls/day of condensate, from an open-hole test over a 100-ft interval in the Belumai sandstone. Kambuna-2 will be drilled to a total depth of approximately 8,200 feet. The semi-submersible drilling rig Galaxy Driller is drilling Kambuna-2 in the Glagah Kambuna Technical Assistance Contract (TAC). Serica is operator and holds a 55% interest in the Glagah Kambuna TAC, located approximately 45 kms north of Medan, Indonesia's third largest city.

Serica CEO Paul Ellis said, "the start of drilling operations is a very significant event for Serica since it is the first well that we have drilled as operator and marks the start of a new phase in the development of the Company. Our staff has made extraordinary efforts to get to this point and we look forward to a successful result at Kambuna-2."

The second well in the program to be drilled by the Galaxy Driller will be Togar-1, an exploration well to be drilled in the Asahan Offshore Production Sharing Contract (PSC), where Serica is the operator and also holds a 55% interest.

About Serica Energy plc

Serica Energy plc is an international oil & gas exploration and production company with primary activities in Indonesia, the UK North Sea and Spain. It currently has offices in Singapore, Jakarta and the United Kingdom. Please visit the Company website, www.serica-energy.com

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