

Serica Energy plc

("Serica" or the "Company")

Response to Market Speculation

London, 2 November 2011: In light of recent market speculation Serica confirms that it is in advanced discussions about the award of significant licence areas in Namibia. Agreements are in the process of being finalised and a further announcement will be made in due course.

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NOTES TO EDITORS

Serica Energy was formed in 2004 and, since then, has drilled 19 wells in locations as diverse as the UK Offshore, the Atlantic margin offshore Ireland, offshore Indonesia (North West Sumatra, East Kalimantan and Java) and offshore Vietnam. Seventeen of these wells were drilled by the Company as Operator, fourteen of the wells encountered oil or gas and six of these were commercial. The first of the commercial discoveries, the Kambuna field in North West Sumatra, was developed by the Company. The second, the Columbus field in the UK North Sea, is now in the pre-development stage with project sanction targeted for the latter half of 2011 or early 2012. The Company also has a residual economic interest in the Bream oil field offshore Norway, which will be crystallised when the field is developed, and licence interests offshore Morocco.

Serica has been involved in Indonesia since its inception. The sale of its Indonesian exploration interests represents a significant shift in the business strategy of Serica to focus on new areas, where it sees greater exploration potential, whilst also continuing to seek ways of expanding the Company's North Sea business to achieve synergies of scale, including through acquisition and consolidation.

The Company is listed on both the Toronto Stock Exchange and the London AIM under the ticker SQZ.

To receive Company news releases via email, please contact nick.elwes@collegehill.com and specify "Serica press releases" in the subject line.

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: geological, geophysical and technical risks, 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.