

**Serica Energy plc**  
("Serica" or the "Company")

**ACQUISITION OF ADDITIONAL INTEREST IN KUTAI PSC**

London, 12 February 2008 - Serica Energy plc (AIM & TSX-V: SQZ) announces that it has acquired an additional 25.5% working interest in the Kutai Production Sharing Contract ("PSC") in East Kalimantan, Indonesia from its partner, Ephindo Kutai Limited ("Ephindo").

Serica, the operator of the Kutai PSC, now holds a 78% interest and Ephindo holds a 22% interest. The Kutai PSC was awarded to Serica and Ephindo in January 2007 and covers an area of around 4700 square kilometres in the Mahakam Delta, mainly offshore.

The Kutai PSC is adjacent to the Mahakam PSC operated by Total and which contains some of Indonesia's largest gas and condensate fields, with total daily production of around 2.5 billion cubic feet of gas and 90,000 barrels of oil and condensate. Total has an active exploration programme and in October 2007 announced two new discoveries in the southern part of the Mahakam block, a few kilometres from the Kutai PSC.

Paul Ellis, Serica Chief Executive said: "The Kutai block lies in the heart of a proven and prolific petroleum producing province and we are delighted to have increased our stake. There is a large amount of existing modern 3D seismic data on the block and we are currently analysing, reprocessing and interpreting the data in order to determine drilling locations for our first exploration campaign in the Mahakam Delta."

Paul Ellis MA (Oxon) Engineering and Serica's Chief Executive, who has over 35 years' experience in the upstream oil and gas industry, has reviewed and approved the technical information contained in this announcement.

**Enquiries:**

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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