

# Serica Energy plc

("Serica" or the "Company")

## Marindan-1 Exploration Well, Kutai PSC, Indonesia

London, 2 December 2010 - Serica Energy plc (AIM & TSX: SQZ) provides an operations update regarding the Marindan-1 exploration well in the Kutai PSC, offshore Indonesia.

Serica and its partners spudded the Marindan-1 offshore exploration well on 27 October 2010 using the jack-up drilling rig Trident IX. The objective of the well was to investigate the potential for hydrocarbon accumulations in a sequence of Miocene sands and carbonates. Marindan-1 was drilled as a deviated well and on 2 December reached total depth of 3,469 metres measured depth ("MD") (3,225 metres true vertical depth subsea). High gas readings and oil shows were recorded in the interval 2,670-3,260 metres MD and downhole logs indicate thin hydrocarbon bearing sand and carbonate reservoirs, but the indicated volume of hydrocarbons present is not expected to be sufficient to justify commercial development and the well will be plugged and abandoned.

Serica **CEO Paul Ellis** said:

***"Serica has now discovered hydrocarbons both at Marindan and Dambus, but the accumulations found in the wells are not sufficient to support standalone development at this stage. A review of options for the possible development of these discoveries together with other undrilled prospects in the Kutai PSC is underway. As previously announced, Serica is undertaking a strategic review of its Indonesian assets and this will be concluded early in the new year."***

### 2 December 2010

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The technical information contained in the announcement has been reviewed and approved by Peter Sadler, Chief Operating Officer of Serica Energy plc. Peter Sadler is a qualified Petroleum

Engineer (MSc Imperial College, London, 1982) and has been a member of the Society of Petroleum Engineers since 1981.

### **Notes to Editors**

Serica Energy plc is an oil and gas exploration and production company based in London, England, and holds exploration and production licences offshore UK, in Indonesia and in the Atlantic Margin basins of Ireland and Morocco. The Company's key producing and development assets are a 25% interest in the producing Kambuna field offshore Indonesia and a 50% stake in the UK Central North Sea Columbus field, under development. Serica's gross oil and gas production amounts to approximately 3,000 barrels of oil equivalent per day.

Serica is building a high-potential exploration portfolio in the Atlantic Margin. Serica's strategy involves minimising its exploration drilling costs through promoted farm-outs while retaining high working interests in the potential for exploration success.

The Company is listed on the London AIM market and the Toronto TSX market under the symbol "SQZ".

**[www.serica-energy.com](http://www.serica-energy.com)**

### **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: 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.

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