

Serica Energy plc

("Serica" or the "Company")

FIRST GAS FROM THE KAMBUNA FIELD

London, 11 August 2009 - Serica Energy plc (AIM & TSX-V: SQZ) is pleased to announce that gas sales have commenced from the Kambuna field, offshore Sumatra, Indonesia. Serica holds a 50% working interest in the field, which will provide the Company with its first significant production revenue.

Following the mechanical completion and commissioning of all facilities, initial production began from the Kambuna-4 well, which was opened up on 5 August, delivering gas and condensate to the onshore receiving facilities at Pangkalan Brandan, North Sumatra. Commercial sales began on 11 August, with gas being introduced to the pipeline system for transportation to the Belawan Power Plant.

After start up, production is targeted to build to a plateau of 40 million standard cubic feet per day ("MMscfd") of dry gas and approximately 4,000 barrels of condensate per day. Upon completion of the on-going upgrade and refurbishment of the Pertamina LPG plant at Pangkalan Brandan, up to an additional 10% of gas will be produced so that LPG can be extracted from the gas stream.

The Kambuna gas will be used for power generation to supply electricity to the city of Medan, North Sumatra and for industrial uses. The existing gas sales agreements with PLN, the Indonesian state electricity company, and Pertiwi Nusantara equate to an average price of approximately US\$5.90 per thousand standard cubic feet, escalated at 3% per annum. The blended price for Kambuna condensate will be set at the Katapa Arbei Indonesian Crude Price which has historically traded at a slight premium to North Sea Brent Crude.

As the productive capacity of the three production wells has been demonstrated to be comfortably in excess of 100 MMscfd and with capacity in the pipeline and processing infrastructure for additional gas supply, Serica and field operator Salamander Energy plc intend to market additional quantities of gas following receipt of regulatory approval to do so.

Serica CEO Paul Ellis said:

"It has taken a lot of hard work to reach first production from the Kambuna field and I congratulate the staff of both Serica and Salamander for their achievement, both companies having operated the field through separate stages of its development. For Serica it is particularly welcome, as this will be the first time that we will have significant production revenue to report. I am also confident that we shall be able to market additional quantities of gas once the field performance has been demonstrated, since there is a strong demand for gas in north Sumatra."

Further information on the Company is available on its website: www.serica-energy.com

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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.

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.

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