



SERICA ENERGY plc

NOTICE OF MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a meeting of the shareholders of Serica Energy plc (the “Company”) will be held on 8 December 2009 (the “Meeting”) at 10:00 am (Greenwich mean time) at 87-89 Baker Street, London W1U 6RJ, United Kingdom for the following purposes:

1. to consider and, if thought advisable, to pass a resolution approving certain amendments to the Company’s incentive stock option plans in accordance with the rules of the TSX Venture Exchange;
2. to consider and, if thought advisable, to pass a resolution approving the extension of the expiry date of certain currently outstanding incentive stock options with an exercise price greater than 49 pence and CDN\$0.76;
3. to consider and, if thought advisable, to pass a resolution approving certain amendments to the Company’s incentive stock option plans in contemplation of a potential listing on the Toronto Stock Exchange (which will only be effective if a listing on the Toronto Stock Exchange is realised); and
4. to transact such further or other business as may properly come before the Meeting or any adjournments thereof.

The accompanying management information circular provides additional information relating to the matters to be dealt with at the Meeting and forms part of this notice.

Shareholders are invited to attend the Meeting. Registered shareholders who are unable to attend the Meeting in person are requested to date and sign the enclosed form of proxy and to return it to the Company’s registrars, Capita Registrars, The Registry, Proxies Department, 34 Beckenham Road, Beckenham, Kent, BR3 4TU in the United Kingdom or Equity Transfer and Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1 in Canada. In the case of non-registered shareholders who receive these materials through their broker or other intermediary, the shareholder should complete and send the form of proxy in accordance with the instructions provided by their broker or other intermediary. To be effective, a proxy must be received by Capita Registrars or Equity Transfer and Trust Company not later than 48 hours before the time appointed for the Meeting or any adjournment thereof, together with any power of attorney or other authority (or a notarially certified copy thereof) under which it is signed.

DATED 6 November 2009

BY ORDER OF THE BOARD OF DIRECTORS

Antony Craven Walker
Chairman

To the holders of Ordinary Shares and, for information only, to the holders of options in Serica Energy plc (“Serica” or the “Company”) and to holders of options in Serica Energy Corporation.

Dear Shareholder

Accompanying this letter you will find a Notice of General Meeting of the Shareholders of the Company to be held on 8 December 2009 (the “Meeting”). In addition you will find a Management Information Circular that is required under Canadian regulations. The Meeting has been called in order to put forward three resolutions relating to proposed amendments to the Company's Share Option Plans (the “Serica Option Plans”) following changes recently introduced by the TSX Venture Exchange (“TSXV”). The changes introduced by the TSXV and the consequential modifications proposed to the Serica Option Plans also enable the Company to comply fully with the UK Combined Code on Corporate Governance and the guidelines set down by the Association of British Insurers (the “ABI guidelines”) which set the standard for share option plans operated in the UK.

Share Option Plans

You will be aware that Serica is a UK registered company listed both on AIM in London and the TSXV in Toronto. As such, the Company has to meet the differing regulations and practices between these two markets and governance requirements, in particular in respect of the implementation of share option schemes, and to comply with the strictest of the two whilst still trying to attract the best calibre of management. The main difference between the rules and guidance for share option schemes under the TSXV and for those which would generally apply to companies listed on AIM is that, until recently, the TSXV rules provided for a maximum exercise period of five years whilst AIM companies, in line with those listed on other markets, would be permitted to grant options which could be held for up to ten years.

The TSXV has recently introduced changes to its rules which include extending, from five years to ten years, the period during which options may be held. This change is helpful to the Company and has enabled the Board to undertake a review of how the Serica Option Plans can best be operated to meet these new rules and how they can provide the optimum basis for securing, motivating and retaining the quality management team that the Company requires in order to be competitive in the market in which it operates.

During this review, the Board has also taken into account recommendations made by the Company's institutional investors in the UK in relation to vesting terms for option grants. These currently comply with TSXV requirements, and are consistent with a five year option period, but do not comply with the UK standards which require a longer vesting period in line with the longer exercise period normally applying in the UK.

As a result of this review the Board is recommending, for approval by shareholders, changes to the Serica Option Plans to bring them into line with current practices.

Period for exercise and Vesting periods

At the time that the Serica Option Plans were adopted, the rules of the TSXV provided that the maximum lifespan of an option could not be greater than five years from grant, a lesser period than that permitted in the UK. To comply with the shorter period under the TSXV rules, the Serica Option Plans therefore provided for options to have a period of only five years from grant to lapse and, in line with TSXV practice consistent with these rules, to vest in equal tranches in each of the first three years following grant. The standard practice in the UK is for options to have a ten year lifespan but to vest only after a minimum period of three years and, in the case of Directors, only after performance targets set by the Remuneration Committee have been met.

With the recent change in the TSXV rules now permitting options to be exercised up to the tenth anniversary of grant, equal to the period allowed for on both the main Toronto Stock Exchange (“TSX”) and the London AIM exchange, the Board wishes to bring the Serica Option Plans into line with this extended exercise period and to make consequential changes to the vesting period for new options. This will comply with the new TSXV rules and also bring the Serica Option Plans within the UK standards.

To meet these objectives the Board is proposing two changes to the Serica Option Plans.

The first of these changes proposed by the Board is to enable participants in the Serica Option Plans to exercise their options up to the tenth anniversary of grant, rather than the current fifth anniversary. It is proposed that this change will apply to all current and future option grants, other than to options currently held by Non-executive Directors (which were awarded in line with standard practise in Toronto but whose current five year option periods will not be extended). The extension of the option period to ten years for Executive Directors and employees will bring the Serica Option Plans into line with those operated by its peers in the UK with whom the Company has to compete with staff. In the case of TSXV listed companies, it should be noted that

this extension can only be applied to those options which are 'out of the money'. It has therefore been agreed with the TSXV, in accordance with their incentive stock option pricing requirements, that only those options with an exercise price of greater than 49 pence and CDN\$0.76 can benefit from the extension.

The second change proposed is to remove the stepped vesting period which currently applies and to replace it with a vesting period of a minimum of three years, for all new option grants. This is consistent with the proposed extension of the exercise period, is in line with recommendations from the Company's institutional investors in the UK, is best practice in the UK and meets the standards of both the Toronto and London markets.

Leaver provisions

In addition to the changes proposed above the Board also wants to introduce flexibility for employees who leave the Company for "good leaver" reasons.

The current rules of the Company's 2005 Share Option Plan provide for a limited period of 40 days for an employee who leaves the Company for a "good leaver" reason to exercise his or her options. The term "good leaver" for these purposes includes injury, ill-health or disability, redundancy, retirement and the participant's employing company ceasing to be a member of the group. The Board believes that, in order to bring the rules into line with best practice, this period of 40 days should be extended to a period of six months from the date of leaving employment, the actual period in each case being determined within this limit by the Remuneration Committee.

Equity settlement of options

The final resolution concerns the method by which share options can be exercised and is being proposed so that the Company can take advantage of "equity settlement" of share options should it move its listing from the TSXV to the TSX, a move which the Board is currently reviewing following the start of production from the Kambuna field in Indonesia. The exercise of options using "equity settlement" is permitted under TSX and AIM rules but not under TSXV rules. The Company will, therefore, only be permitted to implement "equity settlement" of share options if it graduates to the TSX. The Board feels, nevertheless, that there is merit in shareholders being asked to approve the mechanism for implementation of "equity settlement", as an alternative means of settlement, in anticipation of a move to the TSX should the Board decide that such a move is in the interest of shareholders. The merits of "equity settlement" are described more fully below.

On the exercise of options, option holders are able to acquire the number of shares subject to the option by making a payment of the aggregate option exercise price to the Company. This is the normal mode of exercise. The Company is then required to either issue shares to the option holder or acquire sufficient shares on the market in order to satisfy the option. To date, the Company has issued shares to satisfy options. An alternative ("equity settlement") is for the Company to only issue to the option holder such number of shares as have an aggregate value equal to the gain that the option holder is making by exercising the option. The result is that the option holder is not required to finance the exercise of the option, thereby avoiding the need to sell excess shares on the market in order to raise the finance, the market is consequently not affected by the exercise and sale of these excess shares and less shares are issued. The effect for the option holder is that the same value is delivered but existing shareholdings are not diluted to the same extent and employees who participate in the Serica Option Plans are less likely to immediately sell their shares in order to cover the exercise price.

The resolution enables the Company to settle the exercise of options using the "equity settlement" method subject only to the Company moving its listing from TSXV to TSX. The decision to graduate to the TSX has not yet been taken and will only be taken if the Company meets in full the listing requirements for TSX and the Board considers it to be in the best interest of shareholders.

Adopting the changes

The Board considers that each of the above changes will benefit the Company and will maintain the incentive and retentive effect of the existing and future grants under the Serica Option Plans. Should shareholders approve the above proposed amendments, the Board, through the Remuneration Committee, will then determine the implementation of the proposals in accordance with the attached Management Information Circular.

I hope that this background and the further details in the attached Management Information Circular will enable shareholders to provide their support for the proposals and to vote in favour of the resolutions.

Yours sincerely
Antony Craven Walker
Chairman

SERICA ENERGY plc

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular is furnished in connection with the solicitation of proxies by or on behalf of the management of Serica Energy plc (the “Company”) for use at the meeting (the “Meeting”) of shareholders of the Company (“Shareholders”), and any adjournment thereof, to be held at the time and place and for the purposes set forth in the attached notice of Meeting. It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally by regular employees of the Company or by the Company’s registrars, Capita Registrars or Equity Transfer and Trust Company, at a nominal cost. The costs of solicitation will be borne by the Company.

The information contained in this management information circular is given as at 4 November 2009, unless otherwise indicated.

APPOINTMENT OF PROXIES

The person named in the enclosed form of proxy is a director of the Company. **A Shareholder has the right to appoint a person (who need not be a Shareholder) to exercise all or any of his/her rights to attend, vote and speak at the Meeting or any adjournment thereof. A shareholder may appoint a person other than the person designated in the enclosed form of proxy. Such right may be exercised by striking out the name of the person designated in the enclosed form of proxy and by inserting in the blank space provided for that purpose the name of the desired person or by completing another form of proxy.** A member may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. Your proxy will vote as you instruct and must attend the meeting for your vote to be counted. Completion and return of a form of proxy in accordance with the instructions printed thereon will not preclude a member from attending and voting in person at the meeting, or at any adjournment thereof, to the exclusion of their proxies if they wish to do so.

To be effective, proxies must be deposited with the Company, c/o the Company’s registrars, Capita Registrars, The Registry, Proxies Department, 34 Beckenham Road, Beckenham, Kent, BR3 4TU United Kingdom or Equity Transfer and Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario, M5H 4H1, Canada not later than 48 hours before the time appointed for the Meeting or any adjournment thereof, together with any power of attorney or other authority (or a notarially certified copy thereof) under which it is signed.

REVOCAION OF PROXIES

A Shareholder who has given a proxy may revoke the proxy in accordance with the provisions contained in the Company’s Articles of Association by an instrument in writing, including another proxy, duly executed by the Shareholder or by his or her attorney authorized in writing, deposited with the Company as provided above. A Shareholder may also revoke a proxy in any other manner permitted by law, but such revocation must be prior to the exercise of such proxy in respect of any particular matter.

EXERCISE OF DISCRETION BY PROXIES

The shares represented by the proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for, and if the Shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted appropriately. **In the absence of such direction, such shares will be voted in favour of the passing of all of the resolutions described below. The enclosed form of proxy confers discretionary authority upon the person named therein with respect to amendments or variations to matters identified in the notice of Meeting and with respect to other matters which may properly come before the Meeting or any adjournment thereof.** At the time of the printing of this management information circular, management knows of no such amendments, variations or other matters to come before the Meeting, other than the matters referred to in the notice of Meeting. However, if any other matters which are not now known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

As of the date of this management information circular, 176,518,310 ordinary shares in the capital of the Company (the "Ordinary Shares") were issued and outstanding, together with one "A" share of £50,000 held by Serica Energy Corporation ("SEC") as a nominee for and on behalf of the holders of the Ordinary Shares. Each Ordinary Share and the "A" share entitles the holder thereof to vote on all matters to be acted upon at a meeting of Shareholders. The board of directors of the Company (the "Board") has determined that all holders of Ordinary Shares of record at the close of business on 4 November 2009, the record date established for notice of the Meeting (or if the Meeting is adjourned, at the close of business on the date which is two business days prior to the date of the adjourned meeting), will be entitled to vote at the Meeting either in person or by proxy.

Other than Caledonia Investments and Fidelity International Limited who, according to the last notification made to the Company, respectively hold 25,501,736 Ordinary Shares (representing 14.4% of the issued and outstanding Ordinary Shares) and 23,021,998 Ordinary Shares (representing 13.0% of the issued and outstanding Ordinary Shares), to the knowledge of the directors and executive officers of the Company, there are no persons, firms or corporations who beneficially own, directly or indirectly, or exercise control or direction over voting securities of the Company carrying more than 10% of the voting rights attached to the voting securities of the Company.

MATTERS TO BE ACTED ON AT THE MEETING

The Company's current incentive stock option plan is the Serica Energy PLC Share Option Plan which was originally adopted in November 2005 (the "PLC Scheme") and under which there are 8,342,000 incentive stock options outstanding. While the Company no longer grants stock options under them, the Company also has two historic incentive stock option plans under which incentive stock options remain outstanding: the Serica Energy Corporation Share Option Plan originally approved December 2003 (the "SEC Scheme") and under which 1,975,000 incentive stock options are outstanding and the Serica Energy PLC Enterprise Management Incentive Plan originally adopted in November 2005 (the "EMI Plan") and under which 437,000 incentive stock options are outstanding. The EMI Plan carried certain tax advantages to option holders under the EMI Plan who are also UK based employees for UK tax purposes. The SEC Scheme, EMI Plan, and PLC Scheme are collectively referred to herein as the "Serica Option Plans". All of the options vest as to 1/3 after 12, 24 and 36 months. In addition, options held by directors under the EMI Plan and the PLC Scheme are subject to performance targets which must be met before they are exercised.

In addition to proposing certain amendments to the Serica Option Plans in accordance with the regulations of the TSX Venture Exchange, the Company is currently considering graduating from the TSX Venture Exchange to the Toronto Stock Exchange (the "TSX"). If the Company decides that a listing on the TSX would be appropriate, any such graduation would necessarily require the Company to satisfy the listing requirements of the TSX. If the Company is successful in listing on the TSX, the Company would also want to be able to satisfy the exercise price of an option by settling only sufficient shares to meet the intrinsic value of the option rather than the full (and greater) number of shares under option (a procedure commonly referred to as "net settlement" or "cashless exercise").

Serica's shares are listed on the AIM exchange in London as well as the TSX Venture Exchange in Toronto and therefore must necessarily comply with the regulations and corporate governance practices of both exchanges. Certain of the changes proposed to the Serica Option Plans are intended to bring them into line with the now applicable regulations of the TSX Venture Exchange and to prepare the Company for a possible graduation to the TSX but also to comply with the guidelines issued by the Association of British Insurers ("the ABI"), a body which represents the interests of UK institutional shareholders, on executive remuneration policies and practice ("the ABI guidelines").

The disclosure that follows is therefore divided into the amendments that the Company is proposing as an entity listed on the TSX Venture Exchange and is followed by a section which discusses the additional amendments for which the Company is seeking shareholder approval should it be successful in listing on the TSX in the near future. **Any approvals that the Company receives at the Meeting in respect of changes permissible or required under the rules of the TSX will be of no force or effect unless a listing on the TSX is realized.**

1. Proposed Changes to Serica Option Plans under TSX Venture Exchange Rules

As noted above, the Company is proposing certain amendments to the Serica Option Plans in accordance with the regulations of the TSX Venture Exchange. It is also proposing certain amendments which could only be implemented if the Company were to list on the TSX, a process the Company is currently considering. The Board believes that all of these amendments comply with the ABI guidelines.

The following paragraphs describe the proposed changes that the Board seeks to implement in accordance with the regulations of the TSX Venture Exchange.

At the time of their adoption, notwithstanding the fact that share incentive plans of UK plc entities listed only in London would typically provide for option terms of up to ten (10) years, the Serica Option Plans were limited to option terms of five (5) years under the then applicable regulations of the TSX Venture Exchange in order that the Company met the requirements of both exchanges. Since that time, the TSX Venture Exchange has amended its regulations to permit option terms of up to ten years. The Board believes that having the flexibility to grant options with terms of up to ten (10) years is appropriate for an exploration and production company such as Serica. It is the norm for most of the companies listed in London with which the Company has to compete for staff and is in line with expectations of the Company's UK institutional shareholders as it complies with the ABI guidelines. It is therefore in the best interests of the Company as it enables the Company to be competitive in the market in which it has to operate.

As noted above, the terms of all options currently outstanding under the Serica Option Plans provide for vesting as to one-third of the options after 12, 24 and 36 months. In conjunction with the extension of the 5 year period to 10 years, the Company proposes to amend the Serica Option Plans to provide for a vesting period of a minimum of three years for all new options. The Company believes that having a minimum three year vesting period more closely aligns the interests of the Company and the option holders, is in the best interests of the Company, is well within the requirements of both the TSX Venture Exchange and the TSX and is in accordance with guidance in the UK Combined Code on Corporate Governance and the ABI guidelines.

Finally, the Serica Option Plans currently provide for a very short period during which certain option holders who cease to be in the roles of directors, employees or consultants, particularly those whose role is terminated in "good leaver" circumstances, may exercise their options. Under applicable policies of the TSX Venture Exchange, any options granted to an option holder who is a director, employee or consultant must expire within a reasonable period following the date the option holder ceases to be in that role. The Board believes that it should have the flexibility to determine such period, provided it has concluded that the period would be reasonable in the circumstances.

The proposed changes to the Serica Option Plans in accordance with TSX Venture Exchange rules are therefore as follows:

- a) Revising the relevant provisions of each plan to remove the requirement that options have a maximum term of five (5) years and instead to provide that the Board of Directors may determine a maximum term of up to ten (10) years for options;
- b) Revising the relevant provisions of the PLC Scheme to provide for a vesting period of a minimum of three years for all new options; and
- c) Revising the relevant provisions of each plan to provide for a period of up to six (6) months in which, in special circumstances (such as redundancy, retirement or other "good leaver" scenarios) a director, employee or consultant may exercise options following the date the option holder ceases to be in that role.

The Company has received conditional approval for the above amendments from the TSX Venture Exchange subject to the condition that the amendments be approved by a majority of votes cast at a shareholders' meeting.

As a consequence, a vote will be held on the following resolution, as an ordinary resolution, for approval by a majority of votes cast at the Meeting:

“**THAT** the amendments to the Serica Option Plans, as more fully set out in the Company’s management information circular dated 6 November 2009 under the heading “Proposed Changes to Serica Option Plans under TSX Venture Exchange Rules” are approved.”

2. Proposed Extension of the Expiry Date of Certain Incentive Stock Options

Consistent with the intention to extend the maximum term of an option to ten (10) years and to ensure equality between all historic and future grants of stock options, the Board has, in accordance with the incentive stock option pricing requirements of the TSX Venture Exchange, extended the expiry date of all currently outstanding options with an exercise price greater than 49 pence and CDN\$0.76 by five (5) years, including those held by insiders but excluding those held by non-executive directors, which shall not be extended, and also excluding options held under the EMI Plan pending clarification of the tax aspects of any such extension under the UK Tax Code. The Board has not amended any other terms, including the exercise price, of any of the options. In particular, options held by executive directors under the PLC Scheme and which are subject to performance targets shall continue to be subject to performance targets no less demanding than those extant. The TSX Venture Exchange has provided conditional approval for the extension of certain currently outstanding options with an exercise price greater than 49 pence and CDN\$0.76 by five (5) years, subject to the requirement that the extensions receive disinterested shareholder approval, being the approval by a majority of votes cast at a meeting, excluding the votes attached to the shares held by option holders benefitting from the extension and such option holders’ associates.

The following tables indicate the new expiry dates for all of the currently outstanding options, including the options currently held by insiders of the Company and, in the case of the EMI Plan, the expiry dates which would apply if it is decided to extend the option period applicable to options awarded under that plan.

SEC Scheme

Participant	Number of Shares subject to Options	Exercise Price	Current Expiry Date	New Expiry Date
Paul Ellis, CEO and Director	1,000,000	CDN\$1.80	14 June 2010	14 June 2015
Christopher Hearne, Finance Director and Director	600,000 100,000	CDN\$1.00 CDN\$1.80	16 January 2010 14 June 2010	16 January 2015 14 June 2015
Other employees	275,000	CDN\$1.00	14 December 2009	14 December 2014

EMI Plan

Participant	Number of Shares subject to Options	Exercise Price	Current Expiry Date	New Expiry Date (if implemented)
Paul Ellis, CEO and Director	103,000	£0.97	22 November 2010	22 November 2015
Christopher Hearne, Finance Director and Director	103,000	£0.97	22 November 2010	22 November 2015
Other employees	231,000	£0.97	22 November 2010	22 November 2015

PLC Scheme

Participant	Number of Shares subject to Options	Exercise Price	Current Expiry Date	New Expiry Date
Paul Ellis, CEO and Director	7,000 500,000	£0.97 £0.82	22 November 2010 31 March 2013	22 November 2015 30 March 2018
Christopher Hearne, Finance Director and Director	7,000 350,000	£0.97 £0.82	22 November 2010 31 March 2013	22 November 2015 30 March 2018
Antony Craven Walker, Chairman of the Board	300,000	£0.985	9 August 2012	NO CHANGE
Neil Pike, Non-Executive Director	300,000	£0.985	9 August 2012	NO CHANGE
Ian Vann, Non-Executive Director	300,000	£0.985	9 August 2012	NO CHANGE
Steven Theede, Non-Executive Director	300,000	£0.985	9 August 2012	NO CHANGE
Peter Sadler, Director	750,000	£0.40	27 October 2013	NO CHANGE
Other employees/consultants	110,000 756,000 1,662,000 750,000 1,275,000 120,000 180,000 270,000 405,000	£0.97 £1.02 £0.75 £0.32 £1.035 £1.12 £0.96 £0.96 £1.04	22 November 2010 10 January 2012 13 March 2013 4 January 2014 26 January 2011 2 November 2011 18 May 2011 11 June 2011 7 May 2012	22 November 2015 10 January 2017 13 March 2018 NO CHANGE 26 January 2016 2 November 2016 18 May 2016 11 June 2016 7 May 2017

As a consequence, a separate vote will be held on the following resolution, as an ordinary resolution, for approval of the extension of the expiry dates of certain currently outstanding incentive stock options with an exercise price greater than 49 pence and CDN\$0.76. Since none of the option holders benefitting from the extension are eligible to vote on this resolution, the ordinary shares held by such option holders benefitting from the extension (2,202,260 ordinary shares) will be withheld from voting:

“**THAT** the amendment to outstanding incentive stock options as set out in the Company’s management information circular dated 6 November 2009 under the heading "Proposed Extension of the Expiry Date of Certain Incentive Stock Options", to extend the expiry dates thereof, be and the same is hereby ratified, confirmed and approved.”

3. Proposed Changes to Serica Option Plans Permitted under TSX Rules

As noted above, the Company is currently considering graduating from the TSX Venture Exchange to the TSX. In the event that the Company is successful in listing on the TSX, it would be entitled (in some cases subject to it receiving shareholder or disinterested shareholder approval) to make certain

amendments to its stock option plans that it cannot currently do as an issuer listed on the TSX Venture Exchange. For example, while the TSX Venture Exchange does not permit “cashless settlement” of incentive stock options, such settlement is permitted under the rules of the TSX. The Board believes that, subject to listing on the TSX, the addition of a “cashless settlement” feature is in the best interests of the Company and its shareholders as it removes the burden from the option holder of having to sell shares in the market in order to finance the exercise and reduces the number of shares which would otherwise be in issue after the option is exercised. The TSX has also provided guidance to permit the extension of the term of an option in circumstances where the expiry would occur during the Company’s trading “black-out” period.

The proposed changes to the Serica Option Plans, both of which are conditional on the Company graduating to the TSX, are therefore as follows:

- a) Adding a clause which states that if an option would otherwise expire during or within 10 business days following the end of a period in which trading of ordinary shares is restricted by policies of the Company (a “Black-out Period”), then the option shall be extend to the 10th business day following the expiration of the Black-out Period;
- b) Adding a cashless exercise feature under each of the Serica Option Plans (subject, in the case of the EMI Plan, to clarification of any UK tax consequences under the UK Tax Code) which allows the Board to substitute an issue or transfer, without the payment by the participant of any additional consideration, of ordinary shares equal to the value of the option (or the portion thereof) being exercised, in which event the Company shall issue or transfer to the option holder a number of ordinary shares computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where: X = The number of ordinary shares to be issued or transferred to the option holder pursuant to the cashless exercise;

Y = The number of ordinary shares in respect of which the option is being exercised;

A = The fair market value of one ordinary shares on the exercise date; and

B = The exercise price.

For purposes of this feature , the fair market value of one ordinary share as of a particular date will be the middle market quotation of one Share on the AIM market of the London Stock Exchange on the trading day immediately prior to exercise. Upon a cashless exercise in accordance with this feature, the number of ordinary shares which may be issued under the Serica Option Plans shall be reduced by the number of ordinary shares referred to above as “X” and not the number referred to as “Y”.

As a consequence, a vote will be held on the following resolution as an ordinary resolution for approval by a majority of votes cast the meeting:

“**THAT**, conditional upon the Company graduating to the TSX, the amendments to the Serica Option Plans, as more fully set out in the Company’s management information circular dated 6 November 2009 under the heading “Proposed Changes to Serica Option Plans Permitted under TSX Rules” are approved.”

In the absence of a contrary instruction, the person designated by management of the Company in the enclosed form of proxy intends to vote FOR all of the above resolutions.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTION

Since the beginning of 2008, no informed person of the Company, or any associate or affiliate of any informed person has, or has had, any material interest, direct or indirect, in any transaction or proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries or affiliated companies.

INTERESTS OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as set forth in this management information circular, management of the Company is not aware of any material interest of any director or senior officer or any one who has held office as such since the beginning of the Company's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted upon at the Meeting.

INDEBTEDNESS OF DIRECTORS/EXECUTIVE OFFICERS

There is no indebtedness owing to the Company or its subsidiaries by current and former directors, executive officers and employees of the Company.

AUDITORS

The auditors of the Company are Ernst & Young LLP.

OTHER BUSINESS

The Company knows of no matters to come before the Meeting other than the matters referred to in the accompanying notice of Meeting. IT SHOULD BE NOTED, HOWEVER, THAT THE ENCLOSED FORM OF PROXY IS A DISCRETIONARY PROXY AND THE PERSONS NAMED THEREIN ARE AUTHORIZED TO VOTE IN ACCORDANCE WITH THEIR DISCRETION ON ANY OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING.

CORPORATE REPRESENTATIVES

A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the Meeting. In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.

NOMINATED PERSONS

A copy of this notice has been sent for information only to persons who have been nominated by a member to enjoy information rights under section 146 of the Companies Act 2006 (a "Nominated Person"). The right to appoint a proxy cannot be exercised by a Nominated Person: they can only be exercised by a member. However, a Nominated Person may have a right under an agreement between him/her and the member by whom he/she was nominated to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such right or does not wish to exercise it, he/she may have a right under such an agreement, to give instructions to the member as to the exercise of voting rights.

ADDITIONAL INFORMATION

The Company will provide, without charge to a Shareholder, a copy of the Company's 2008 Annual Report containing the financial statements for the year ended December 31, 2008 together with the auditors' report and the management's discussion and analysis upon request to the Company.

Financial information is provided in the Company's comparative financial statements and management's discussion and analysis for the year ended December 31, 2008.

Any request for any of these documents should be made to the attention of the Company Secretary at Serica Energy plc at 87-89 Baker Street, London, W1U 6RJ, UK. The above documents are also available on the Company's website at www.serica-energy.com. Additional information relating to the Company is also available on the Company's SEDAR profile on the Internet at www.sedar.com.

You may not use any electronic address provided in this management information circular to communicate with the Company for any purposes other than those expressly stated.

DIRECTORS' APPROVAL

The contents and the sending of this management information circular to Shareholders of the Company have been approved by the directors of the Company.

DATED 6 November 2009

BY ORDER OF THE BOARD OF DIRECTORS

Antony Craven Walker
Chairman

Registered office: 87-89 Baker Street, London, W1U 6RJ United Kingdom

Registered Number: 5450950

