Serica Energy plc
Corporate Presentation
April 2018

SERICAENERGY

Disclaimer

The information presented herein is subject to amendment and has not been independently verified. Serica Energy plc ("Serica") does not represent that the information and opinions contained herein are necessarily adequate or accurate and no liability is accepted for any errors or omissions.

This presentation contains forward-looking statements, corporate plans and strategies which are based upon Serica's internal projections, assumptions, expectations or beliefs concerning such matters as the company's future operational, financial and strategic performance, prospective resources, operational timing, costs and finances. Such forward-looking statements are subject to significant risks and uncertainties which may result in Serica's actual performance, results and accomplishments being materially different to those projected in such statements.

Factors that may cause actual results, performances or achievements to differ from expectations expressed herein include, but are not limited to, regulatory changes, future levels of supply and demand, pricing, weather, wars, acts of terrorism, financial markets, competitor activity and other changes of conditions under which the company is obliged to operate.
Serica undertakes no obligation to revise any such forward-looking statements to reflect any changes in Serica's expectations with regard to such statements or any change in circumstances or events.

This presentation and its appendix are not for publication, release or distribution directly or indirectly, in nor should they be taken or transmitted, directly or indirectly into, the United States, Australia, Canada, Japan or South Africa or any other jurisdictions where to do so would constitute a violation of the relevant laws of such jurisdictions. This presentation may not be reproduced, redistributed or disclosed in any way in whole or in part to any other person without the prior written consent of the Company.
Resource disclosure in this presentation has, except where noted, been prepared by the operators of projects in which Serica Energy plc ("Serica") has an interest and has not been prepared in accordance with National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101"). Readers are cautioned that the disclosure herein and in the appendix may not be equivalent to NI-51-101-compliant disclosure.

This presentation is not an offer to sell or a solicitation of an offer to buy or acquire, securities of Serica in any jurisdiction or an inducement or an invitation to enter into investment activity. No part of the presentation, nor the fact of its distribution, should form the basis of, or be relied upon in connection with, any contract or commitment or investment decision whatsoever.

Highlights FY 2017 vs. FY 2016

+310%
Operating profit

2017 Operating profit of US$14.1 million, a four-fold increase (2016: US$3.4 million)

+105%
Cash and deposits

Total cash balances and term deposits at 31 December 2017 of US$34.0 million (31 December 2016: US$16.6 million)

+58%
Group profit

2017 Group profit after tax of US$17.1 million*
(2016: US$10.8 million)

Acquisition of BKR assets

The acquisition of BP's interests in the Bruce, Keith and Rhum ("BKR") fields, announced on 21 November 2017 and expected to complete in late Q3 2018

Columbus export route selected

Columbus offtake route selected via the proposed Arran-to-Shearwater pipeline

Targeting mid-year submission of a Field Development Plan

2017 net Erskine production of ~2,000 boe/day

Production averaged almost 2,000 boe per day net to Serica during 2017 with operating and transportation costs maintained at ~US$15 per barrel

* after deferred tax credits of US$6.3 million arising from tax losses brought forward

Group Income Statement

	2017 US$000	2016 US$000	
Revenue	**31,966**	21,432	Production 1,976 (1,636) boed, oil price US$53.2/bbl ($42.1/bbl), gas price 41p/therm (33p/therm)
Operating costs	**(10,958)**	(13,586)	Opex/transport costs of US$15/boe down from US$23/boe in 2016
Depletion	**(1,710)**	(1,274)	Increase mainly production-related
Gross Profit	**19,298**	6,572	Higher production, higher commodity prices, lower opex
Admin expenses	**(2,244)**	(2,062)	Expenses steady despite increased activity
Impairment, exchange	**(2,928)**	(1,061)	Increase reflects exploration write-offs and fair value adjustment for gas price puts
Operating Profit	**14,126**	3,449	Four-fold increase over 2016
BKR Transaction Costs and Finance Costs	**(3,278)**	(124)	BKR acquisition expenses, Aim admission document costs
Profit before taxation	**10,848**	3,325	
Deferred tax	**6,255**	7,521	Recognition of further utilisation of tax losses carried forward
Discontinued operations	**-**	(8)	
Profit for the Year	**17,103**	10,838	

Balance Sheet

	2017 US$000	2016 US$000	
Exploration and evaluation assets	**53,413**	53,170	Costs to date on Columbus and retained exploration acreage
Property, plant and equipment	**7,640**	9,078	Erskine acquisition costs depleted over remaining reserves
Deferred tax	**16,209**	9,954	Partial recognition of losses carried forward
Total non-current assets	**77,262**	72,202	
Inventories, receivables, financial assets	**5,397**	7,250	Reduced December 2017 sales due to FPS shut-in, lower JV debts
Cash and term deposits	**33,977**	16,593	Significant cash build during 2017 adds resilience
Total Assets	**116,636**	96,045	
Current liabilities and provisions	**(10,059)**	(5,877)	JV and other payables, remaining Erskine settlements
Non-current liabilities and provisions	**(4,281)**	(5,073)	BP facility drawings, provisions for contingent payments
NET ASSETS	**102,296**	85,095	
Share capital and reserves	**250,121**	250,023	Only US$20 million new equity raised since 2008
Accumulated deficit	**(147,825)**	(164,928)	Includes UK ringfence losses offsetting current tax liabilities
TOTAL EQUITY	**102,296**	85,095	

Highlights - BKR

Transformational acquisition of BP's operated interests in the Bruce, Keith and Rhum fields, announced 21 November 2017, expected to complete late Q3 2018, providing Serica with:

Additional revenue streams to diversify Serica's production portfolio from Erskine single field exposure

Significant additions to production volumes and reserves

Accelerated utilisation of tax losses

Deal structured to mitigate risk and minimise shareholder dilution

Highlights - Operational

Erskine

- Production averaged just under 2,000 boe per day net to Serica during 2017
- Production reduced by wax in Lomond-Everest export pipeline and Forties Pipeline System shut-in
- Pipeline bypass planned in Q3 2018 as permanent solution with efforts to remove existing blockage continuing in the meantime
- An independent audit by Netherland, Sewell & Associates confirmed Serica’s share of estimated proven plus probable reserves at 3.1 million boe as of 1 January 2018 after net production of 1.9 million boe since acquisition

Columbus

- Serica, as operator of the Columbus field with a 50% interest, is moving the field towards development:
- Columbus partners have selected an offtake route via the proposed Arran-to-Shearwater pipeline
- Submission of a development plan targeted for mid-year

Exploration

- Preparations for a well on the Rowallan prospect in the second half of 2018 are progressing to plan with a site survey completed last December and tendering for a rig underway
- Serica is fully carried on all Rowallan well costs on this high pressure, high temperature prospect

BKR: An enabling acquisition

MITIGATES RISK

Bulk of consideration deferred and contingent

•

Gas sales include price hedging

DIVERSIFIES

Production streams, now with 4 field interests

•

3 export routes

TRANSFORMS CAPABILITY

Serica becomes a North Sea production operator

•

Combined skillsets deliver future growth opportunities

MAINTAINS BALANCE SHEET STRENGTH

No shareholder dilution

•

No impact on existing cash resources

•

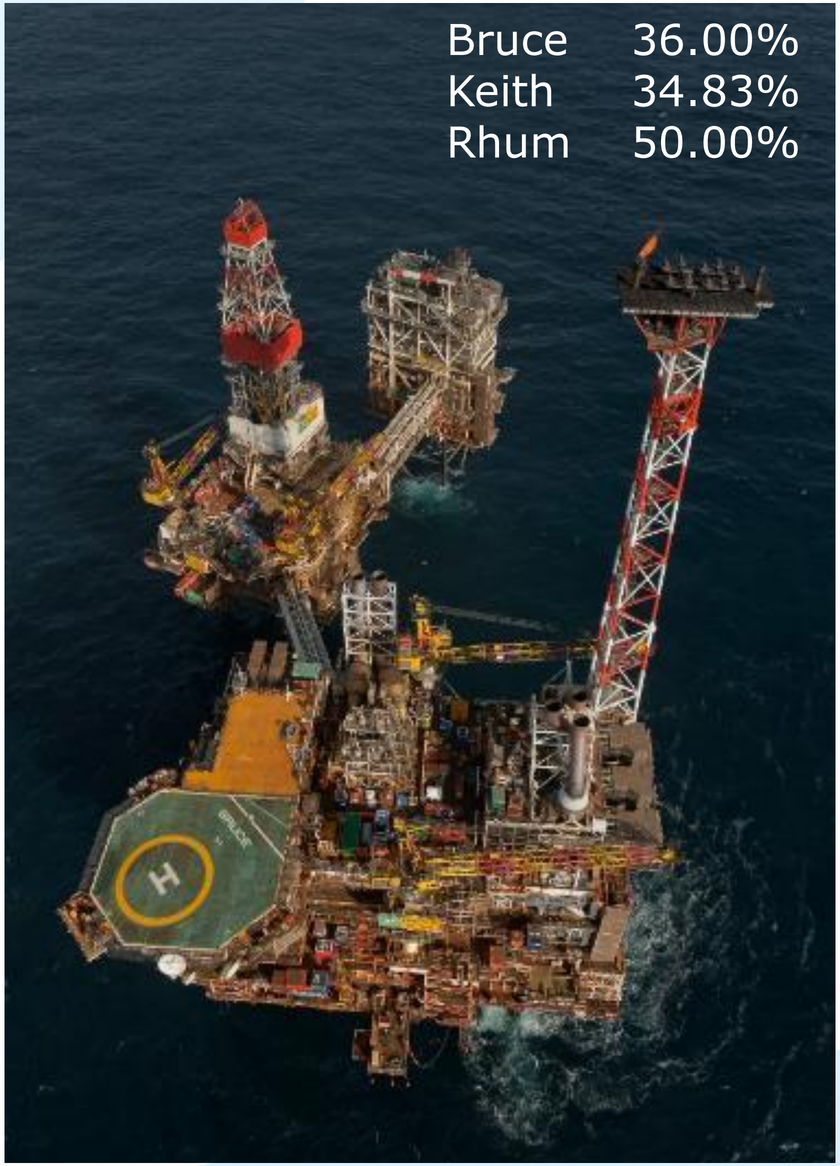
No borrowings apart from prepayment facility provided by BP

•

Expected to be immediately cash-flow and value accretive

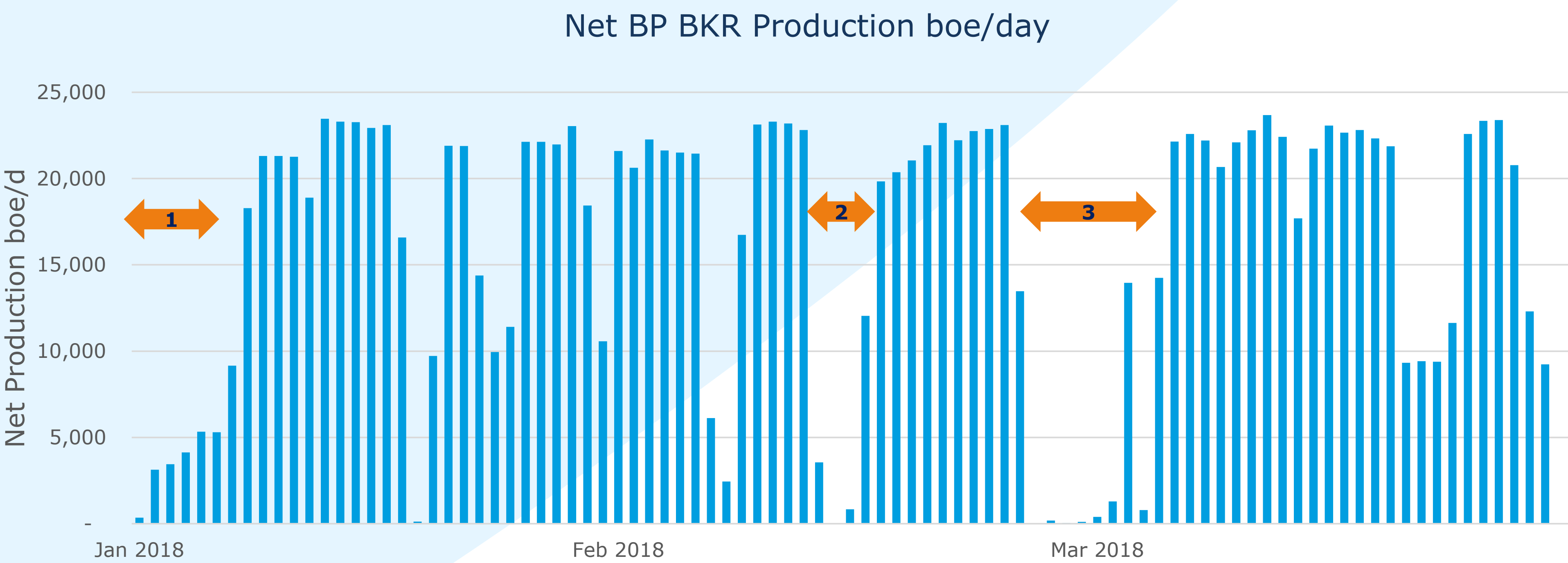
•

Tax efficient



SERICAENERGY

BKR Production Performance



- On completion of the acquisition from BP, Serica entitled to share of net cash flow since 1 January 2018
- Production regularly exceeds 20,000 boe/d net to BP interest
- Average net production in 1Q 2018 has been 16,059 boe/d net to BP despite short operational interruptions

Operational Interruptions
1. Post FPS start up 2. Power outage 3. Cold weather impact

SERICAENERGY

Maximising Economic Recovery

- Serica intends to build upon BP’s operational performance at Bruce, Keith and Rhum to extend field life
- Objectives are fully aligned with the aims of the OGA’s Maximising Economic Recovery Strategy (MER)
- Rhum R3 well project
  - BP has contracted a rig to carry out the re-entry and re-completion of the previously drilled (but not yet producing) Rhum R3 well
  - Project planned to start this May with production expected to commence before the year-end
- Serica is focused, flexible and financially robust enabling it to pursue additional opportunities to increase ultimate recovery and extend field life
- Serica is committed to maintaining high HSE and employment standards

SERICAENERGY

Transition Timetable

21 NOVEMBER 2017 TO NOW

Transition announced and shares suspended

Admission document issued and shares relisted

Transaction approved at General Meeting

BP employees offshore and onshore notified through face-to-face engagement sessions

Third party contractor engagement sessions held

Engagement with all Joint Venture Partners

Engagement with OGA and other regulatory bodies

Commencement of BP-Serica transition process

NOW THROUGH TO Q3 2018

Full consultation process for BP employees to be transferred to Serica

Satisfy requirements of field partners and OGA re transfer of operatorship

Safe and efficient establishment and transfer of systems and operational practices from BP to Serica

Obtaining all other consents and approvals where necessary

Development and approval of Safety Case

Open new Operational Headquarters (incorporating ACE) in Aberdeen

Q3 2018 (ANTICIPATED)

Serica becomes operator of the Bruce, Keith and Rhum fields

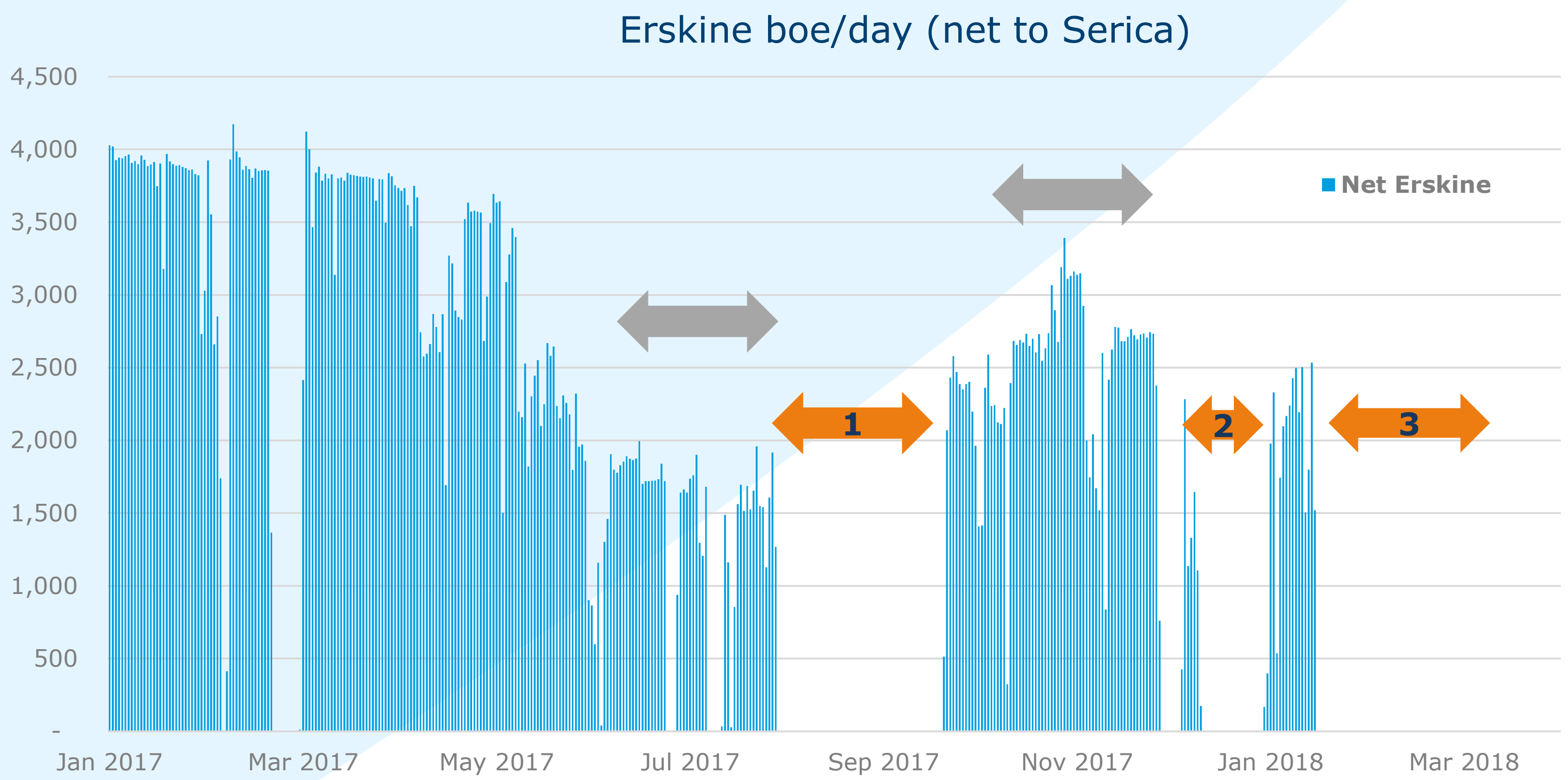
BP employees transferred to Serica under full TUPE terms

Completion consideration paid net of working capital and interim period adjustments

Erskine (Serica 18%)

- Production for 2017 was 1,976 boe/d net to Serica
  - Below the 2,200 boe/d lower end of production guidance for the year, due largely to ongoing waxing problems with the Lomond condensate export line which carries Erskine condensate and the unanticipated shutdown of the Forties pipeline system in December
- Production has been restricted by the condensate export pipeline from the Lomond platform experiencing back pressure caused by wax deposits
- This was further impacted by a blockage in the line, as announced on 22 January, which occurred during routine pigging operations
  - A de-blocking operation is underway and the Company and its partners have commenced engineering and procurement for an export bypass pipeline aimed at delivering a permanent solution for the wax condition
- Despite export issues, the wells and reservoirs in Erskine continue to perform as expected
  - Wells are capable of reaching production rates that will help recover production deferred due to downtime (as seen in the first half of 2017)

Erskine Production



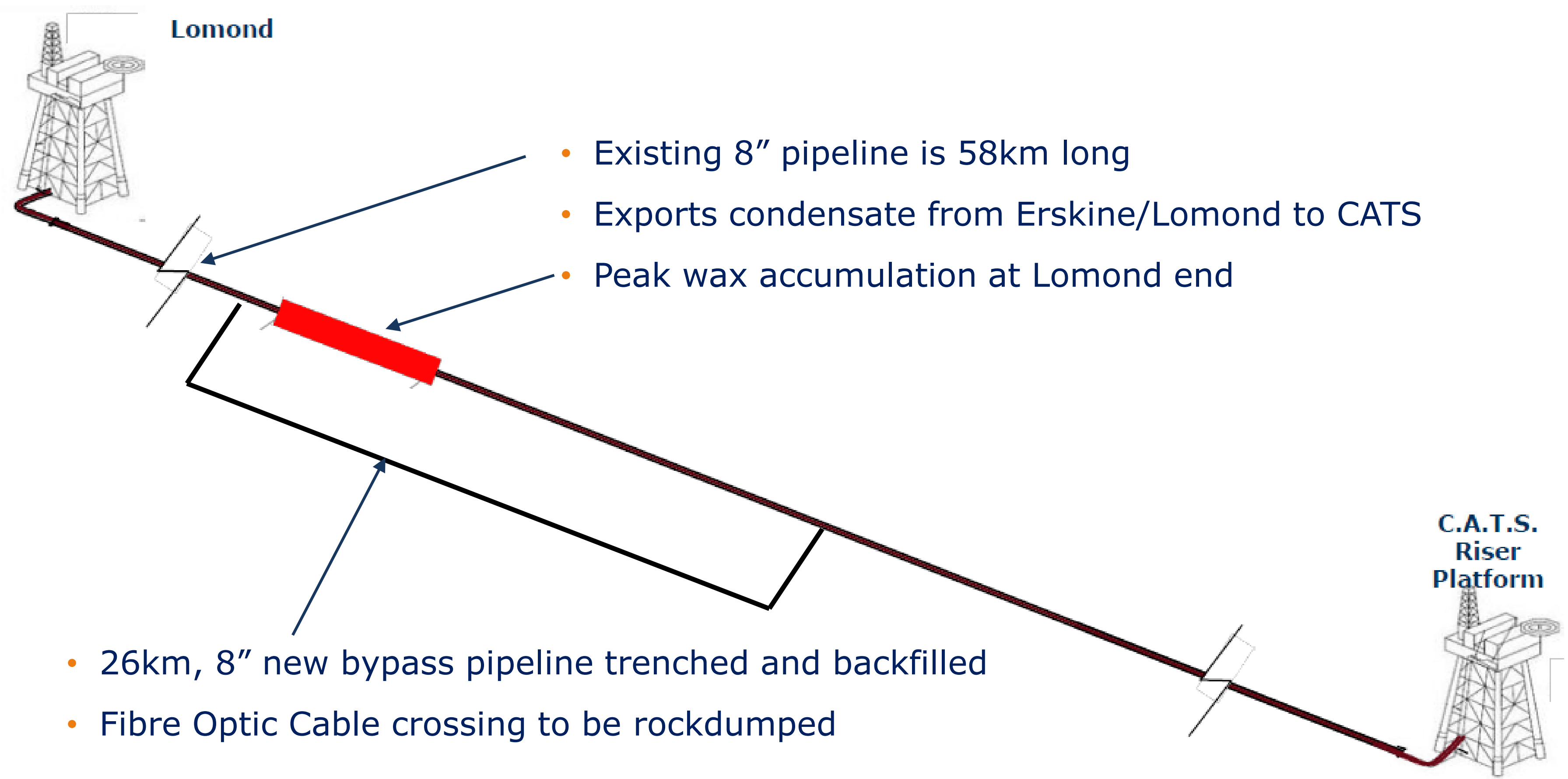
- Erskine production impacted by pipeline blockage
- Pipeline bypass will provide a clean line
- Strong production expected to follow new line (flush production post shut in)
- Regular pigging programme to maintain line

Production Interruptions
1. Restriction and Maintenance 2. FPS 3. Blockage in line

Production Reduction
Due to Wax Treatment Procedures

Erskine Bypass Pipeline

- A 26km section of line will be replaced
- A clean line will allow full and regular pigging from the start thus preventing wax build-up
- Serica's share of the cost is comparable to 40 days of Serica's field revenues. Equipment procurement has commenced and the installation is expected to be completed in Q3 2018

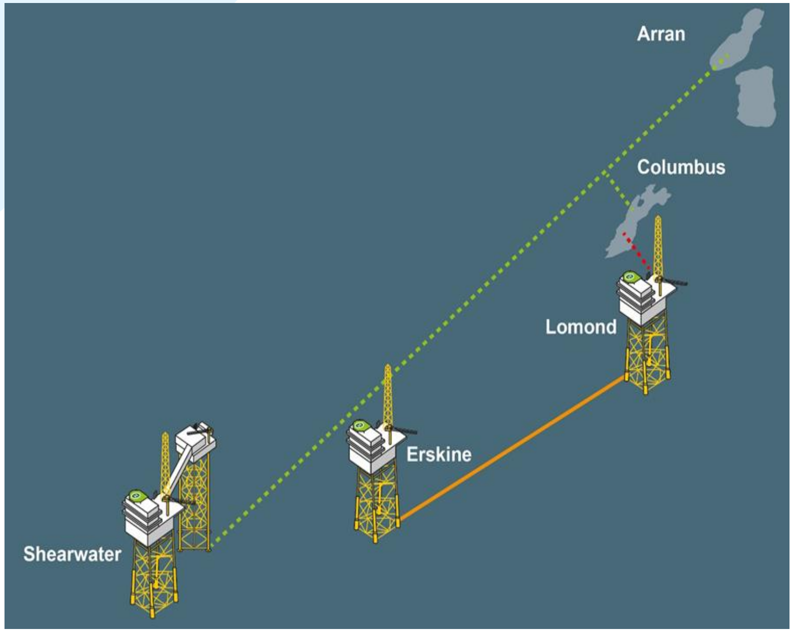


- Existing 8" pipeline is 58km long
- Exports condensate from Erskine/Lomond to CATS
- Peak wax accumulation at Lomond end

- 26km, 8" new bypass pipeline trenched and backfilled
- Fibre Optic Cable crossing to be rockdumped

Columbus Development (Serica 50%)

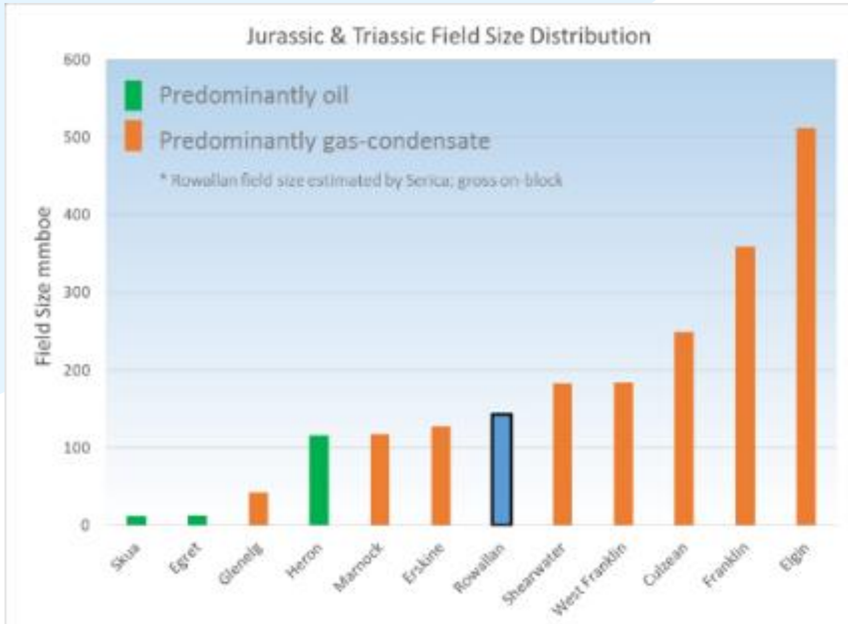
- During 2017, Serica pursued two alternative development options for Columbus
  - Drilling a subsea well and joining a potential future development of the nearby Arran field to the Shearwater platform, located 35km from Columbus
  - Drilling an extended-reach development well into Columbus from the Lomond platform, located five 5km away
- **Serica has informed the OGA that it will prepare a Field Development Plan to develop Columbus by tying a subsea well into the pipeline proposed to be laid between Arran and Shearwater**
- Arran and Columbus fluids will combine in the new pipeline and be produced together over the Shearwater processing facilities via an existing riser onto the Shearwater platform. Although first gas would be around a year later than the Lomond alternative, the overall capital costs under this option are lower. The Columbus partners will now work with the operators of the Arran field and the Shearwater platform and move forward with a Columbus FDP, to be submitted by the OGA's deadline of end of Q2 2018

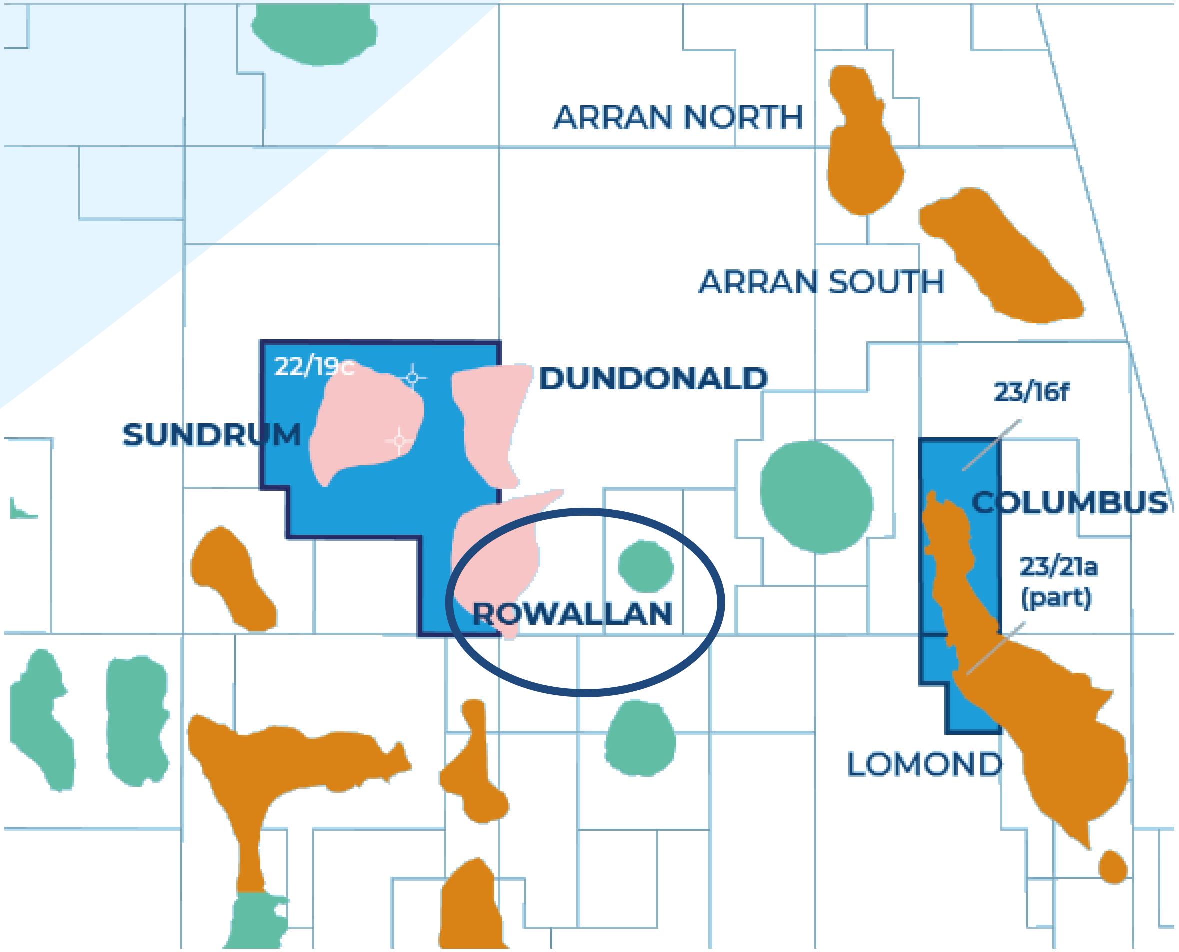


- Final commitment to this offtake route and submission of an FDP within the OGA's timetable is dependent upon the Arran field owners committing to development of the Arran field in the timeframe prescribed by the OGA. If the Arran development does not proceed, Columbus cannot be developed through Shearwater on a stand-alone basis. The selection of this route has been made conditional on that decision being made to the satisfaction of Serica. Discussions on commercial arrangements will continue with the Lomond field operator in the event that the Shearwater option does not mature in the requisite time frame. The Lomond option has been engineered in detail and is capable of being fully implemented

Rowallan Prospect: UK Block 22/19c (Serica 15%)

- Preparations for drilling continue
- A pre-drilling site survey was completed in December 2017
- Rig tendering ongoing for drilling planned in H2 2018
- Serica is fully carried and so pays no costs for drilling the well
- Success case gross estimated field size in line with major HPHT UKCS fields
- The prospect has been independently assessed to contain unrisked P50 prospective resources of 19.7 million boe net to Serica





SERICA ENERGY

Strongly Positioned for the Future

- Serica's 40% share in 2018 net cash flows from the BKR Assets, accruing under the acquisition agreement, adds to the Company's cash resources upon completion expected in late Q3 2018
- Transition arrangements for the BKR Assets acquisition are progressing well:
  - Consultations with transferring staff close to completion and recruitment for additional positions are underway
  - New premises for Aberdeen operations headquarters identified with occupation targeted for mid-summer
  - Serica working with BP, OGA, other regulatory bodies and partners to ensure safe and orderly transition
- Important short-term activities include Rhum R3 well intervention starting in late Q2 2018 and fully carried Rowallan exploration well planned for H2 2018
- Completion of the Lomond to Everest export line bypass during Q3 2018 is expected to deliver more consistent Erskine production performance and sales revenues
- The increased scale and diversification that the BKR deal will bring provides a platform to grow the business through:
  - Operational efficiencies
  - Investment to enhance production
  - Complementary acquisitions in the UK North Sea