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Serica Energy signs Glagah Kambuna Extension Agreement; commences Biliton 2005 seismic program

TORONTO, April 12 /CNW/ - Serica Energy Corporation (TSX Venture: SQZ) announced today that an Extension Rehabilitation Agreement (ERA) has been signed between the Corporation, PT Gunakarsa Glagah Kambuna Energi, and PT PERTAMINA (Persero).

This agreement extends the rehabilitation period of the Glagah Kambuna Technical Assistance Contract (TAC) until December 16. The TAC expiry date remains unchanged at December 16, 2016. The Glagah-Kambuna TAC (Serica's interest: 69.4118%) is located offshore North Sumatra, approximately 45 kms north of Medan, Indonesia's third largest city. The TAC is surrounded by the Asahan Offshore PSC (Serica - 58.8235% and Operator).

As announced earlier, the Corporation is making final arrangements for the drilling of its first two wells on the Asahan Offshore and Glagah-Kambuna blocks. The Corporation has signed a two-well Letter of Intent with PT Lins Petrotama Energi for the use of the semi-submersible drilling rig Galaxy Driller. The first of these wells is scheduled to spud in June.

Also in Indonesia, on April 6 the Corporation commenced the acquisition of 2,800 kms of 2D seismic data on its Biliton block (Serica - 90% and Operator). Located in the Java Sea, between the islands of Java and Kalimantan, the Biliton Production Sharing Contract (PSC) was signed on December 30, 2003. An initial 2,000 kms of 2D seismic were acquired over the block in January/February 2004. The latest survey is an infill programme over several large structures identified from the 2004 survey data. The Corporation is currently undertaking preliminary preparations for drilling on the Biliton block later in 2005.

About Serica Energy Corporation

Serica Energy Corporation is an international oil & gas exploration and production company with primary activities in Indonesia, the UK North Sea and Spain. Serica was formed in 2004 as a result of a merger of publicly traded Kyrgoil Holding Corporation and the private Petroleum Development Associates (pda) Group of Companies. Serica currently has offices in the United Kingdom, Singapore and Jakarta and is a publicly traded company listed in Toronto, Canada on the TSX Venture Exchange with the share symbol "SQZ". Please visit the Serica website, www.serica-energy.com.

To receive company news releases via email, please contact heather@chfir.com and specify "Serica press releases" in the subject line.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release. In addition, this release is not for distribution to U.S. Newswire Services or for dissemination in the United States.

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