

## **SERICA ENERGY AWARDED UK LICENCES**

London, 17 November 2008 - Serica Energy plc (AIM & TSX-V: SQZ) (“Serica” or “the Company”) announces that it has been offered three UK exploration licences in the UK 25th Seaward Licensing Round and provides an operational update.

### **UK 25th Round**

In the UK 25th Round Serica was offered awards of licences covering interests in Block 15/21e (split) in the Central North Sea, Block 48/16a (part) in the Southern North Sea and Block 110/2d in the East Irish Sea. The blocks have been offered under traditional licence terms and Serica will operate two of the three blocks.

Block 15/21e (split) lies in the Central North Sea and Serica will have a 30% interest. The block lies immediately west of the Scott field and contains a potentially significant extension to an existing Jurassic oil discovery in well 15/21a-38. The licence operator will be a subsidiary of Encore Oil plc.

Block 48/16a (part) lies in the Southern North Sea and Serica will operate the licence. The block lies immediately west of Serica’s Chablis field, in which appraisal drilling will shortly commence, and the field may extend into the new licence. Serica will initially have a 100% interest, but this may be reduced to 65% under the terms of a farm-out agreement. Serica presently holds a 65% operated interest in the Chablis field in Blocks 48/16b and 48/17d and further details about the upcoming drilling programme are provided below.

Block 110/2d lies in the East Irish Sea adjacent to the Morecambe gas field and five kilometres south of Serica’s Blocks 113/26b and 113/27c which contain the Conan and Doyle prospects. Serica will operate the licence with a 100% interest.

### **Operational Update**

In the UK, Serica expects shortly to receive the Energy Enhancer jack-up rig in the Chablis field in Block 48/16b and to commence drilling the first Chablis appraisal well. The rig has been delayed by several weeks, due to extended operations on its current well in the Esmond field, and a firm spud date for Chablis is not yet available.

In Norway, Serica has received government approval for the sale of its Norwegian interests to Spring Energy and the sale will now be completed.

In Ireland, site survey work has recently been completed over the Bandon and Boyne prospects and the final well location for the Bandon prospect will now be submitted to the Irish government for drilling consent. The contract under which Serica was to use the Arctic II semi-submersible drilling rig for Bandon has been terminated because the drilling contractor was unable to complete the purchase of the rig from its present owner. However, in the present economic climate the market for rigs is easing markedly and Serica is confident that it will be able to secure a replacement rig for drilling in Ireland next year.

Serica CEO Paul Ellis said: “We are very pleased with the result of the 25th Round, which attracted record levels of interest from the industry. In the three blocks offered to Serica, the Company has identified several new prospects to add to its Western Europe portfolio in areas adjacent to established producing fields. We are confident that these prospects have the potential to add material value to the Company.”

Further information regarding Serica’s interests can be found on Serica’s web-site at [www.serica-energy.com](http://www.serica-energy.com)

Paul Ellis MA (Oxon) Engineering and Serica's Chief Executive, who has over 35 years' experience in the upstream oil and gas industry, has reviewed and approved the technical information contained in this announcement.

**Enquiries:**

**Serica Energy plc**

Paul Ellis, [paul.ellis@serica-energy.com](mailto:paul.ellis@serica-energy.com) +44 (0)20 7487 7300

Chief Executive Officer

Chris Hearne, [chris.hearne@serica-energy.com](mailto:chris.hearne@serica-energy.com) +44 (0)20 7487 7300

Finance Director

**JPMorgan Cazenove**

Steve Baldwin [steve.baldwin@jpmorgancazenove.com](mailto:steve.baldwin@jpmorgancazenove.com) +44 (0)20 7588 2828

**Tristone Capital Limited**

Majid Shafiq [mshafiq@tristonecapital.com](mailto:mshafiq@tristonecapital.com) +44 (0)20 7355 5872

**Pelham Public Relations**

**-UK**

James Henderson [james.henderson@pelhampr.com](mailto:james.henderson@pelhampr.com) +44 (0)20 7743 6673

Alisdair Haythornthwaite [alisdair.haythornthwaite@pelhampr.com](mailto:alisdair.haythornthwaite@pelhampr.com) +44 (0)20 7743 6676

**CHF – Canada**

Sasha Abrams [sasha@chfir.com](mailto:sasha@chfir.com) +1 416 868 1079

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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