



Tuesday 14 November 2006

**SERICA ENERGY PLC ANNOUNCES  
NORTH SEA ACREAGE EXCHANGE WITH BG GROUP PLC**

**London, 14 November, 2006** – Serica Energy plc (AIM and TSX Venture: SQZ) (“Serica”) announces that it has entered into an agreement with BG International Limited, a subsidiary of BG Group plc (“BG”) that provides for an exchange of adjacent exploration licence interests in the UK Central North Sea.

Serica is currently drilling the Columbus prospect in Block 23/16f, in which it has a 50% interest and is the operator. BG has an equity holding in part of the adjacent Block 23/21 (“Part Block 23/21”) into which Serica believes the Columbus prospect may extend.

Serica and BG have entered into a cross-assignment agreement that provides, in certain specific circumstances, for Serica to exchange with BG a 25% interest in Block 23/16f for a 25% interest in Part Block 23/21 (excluding the Lomond field) and for BG to participate in the costs of the Columbus well, 23/16f-11. The assignments of interest will be subject to regulatory and partner approvals.

Paul Ellis, Chief Executive Officer, commented:

*“We are delighted to have reached this agreement with BG. If Columbus is successful, the prospective common interests of Serica and BG in Blocks 23/16f and 23/21 will enable appraisal wells to be drilled and the development of any discovery to be commenced in the most efficient manner.”*

**Background Notes**

Serica Energy plc is an international oil and gas exploration company with operations in Indonesia, the UK North Sea, Spain, Ireland and Vietnam. The Company's ordinary shares are listed in London on AIM and on the Canadian TSX Venture Exchange under the symbol “SQZ”. The 2005 Annual Report and Accounts are available at [www.serica-energy.com](http://www.serica-energy.com) and [www.sedar.com](http://www.sedar.com).

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### **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 there from.

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 [heather@chfir.com](mailto:heather@chfir.com) and specify "Serica press releases" in the subject line.

