

**Serica Energy plc**  
**("Serica" or the "Company")**

**First Production from Rhum R3 Well**

**London, 2 September 2021** – Serica Energy plc (AIM: SQZ), a British independent upstream oil and gas company with operations centred on the UK North Sea and over 80% gas production, is pleased to announce the commencement of production from the Rhum R3 well.

First production from the well was achieved on 23 August and since then work has continued to optimise production rates from the Bruce, Keith and Rhum fields.

In the last seven days, gross Rhum production has averaged over 190mmcsf/d of gas and 1,400bbl/d of condensate. This equates to an average gross production in excess of 34,000boe/d for the Rhum field. This compares to a maximum rate of 26,000boe/d immediately prior to the commencement of R3 production. Further work will continue in the coming weeks to optimise and stabilise production and if necessary, we will update our production guidance at the time of the publication of our half year results.

Serica has a 50% working interest in the Rhum field.

The successful recompletion of R3 has increased the Rhum production capacity utilising the existing facilities located on the Bruce platform. This is in line with Serica's stated objective of reducing the carbon intensity (i.e. CO<sub>2</sub> per barrel of oil equivalent) of its production operations. Further details on Serica's commitment to ESG (Environment, Social & Governance) can be found on our website at <https://www.serica-energy.com/downloads/ESG-Report-2020.pdf>

**Mitch Flegg, Chief Executive of Serica Energy, commented:**

"I would like to congratulate everyone in the Company for the incredible achievements required to overcome the technical challenges involved in establishing first production from this well some 16 years after it was originally drilled.

This is a significant result for Serica and the addition of a third prolific Rhum well is excellent news. Despite the challenges we faced, the additional production and accelerated cash flows will lead to a rapid payback on the capital invested, particularly as we are immediately benefitting from the current high gas prices. Not only will this well enable enhanced production rates from the field, but it will also provide redundancy to help maintain future production.

The successful R3 project is a demonstration of Serica's ongoing strategy of investment in capital growth projects designed to boost our production levels whilst continuing to reduce our carbon intensity. The next project will be Columbus where we expect first production in Q4 this year."

**Regulatory**

The information contained within this announcement is considered to be inside information prior to its release, as defined in Article 7 of the Market Abuse Regulation No. 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018.

The technical information contained in the announcement has been reviewed and approved by Fergus Jenkins, VP Technical at Serica Energy plc. Mr. Jenkins (MEng in Petroleum Engineering from Heriot-Watt University, Edinburgh) is a Chartered Engineer with over 25 years of experience in oil and gas

exploration, development and production and is a member of the Institute of Materials, Minerals and Mining (IOM3) and the Society of Petroleum Engineers (SPE).

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**NOTES TO EDITORS**

Serica Energy is a British independent oil and gas company with a portfolio of exploration, development and production assets.

Serica is the operator of the producing Bruce, Keith and Rhum fields in the UK Northern North Sea, holding interests of 98%, 100% and 50% respectively. Serica also holds an 18% non-operated interest in the producing Erskine field in the UK Central North Sea and a 50% operated interest in the Columbus Development where first production is expected in Q4 2021.

Over 80% of Serica's production is natural gas, a key element in the UK's energy transition.

The Rhum field is situated some 380 km NE of Aberdeen in a water depth of 109 metres. Field development was sanctioned in 2003 and production started in December 2005. Rhum has subsea completions which are tied back to the Bruce platform complex which lies 44 km south of Rhum. The original development plan consisted of three wells but the third of these wells (R3) had not previously been put into production.

The R3 work programme involved recovering equipment left in the well by the previous operator and removing an obstruction that was across parts of the downhole completion.

Further information on the Company can be found at [www.serica-energy.com](http://www.serica-energy.com).

The Company's shares are traded on the AIM market of the London Stock Exchange under the ticker SQZ. To receive Company news releases via email, please subscribe via the Company website.