

Serica Energy plc

("Serica" or the "Company")

Operations and Organisation Update

London, 6 December 2023 – Serica Energy plc (AIM: SQZ) provides the following updates on operations, production, licencing and organisation.

Mitch Flegg, Chief Executive of Serica, said:

"I am pleased to report the successful conclusion of the planned summer shutdowns on Serica's Bruce and Triton hubs and the re-establishment of strong levels of production at both. During the last month Serica has been consistently achieving production rates in excess of 50,000 boe per day. Overall production guidance for the year is unchanged reflecting delayed production restarts and slower than expected production ramp-ups after the summer shutdowns.

I am also pleased to report successful well campaigns on the Bruce and Guillemot fields during 2023. These are further proof of the benefits to be had from low cost, short cycle investments in our existing asset portfolio. The full impact on production of the well work carried out this year is expected to be felt in 2024, aided by the work on the Bruce facilities deferring the need for another major shutdown until 2025.

The LWIV vessel used on Bruce is already booked for a third campaign in 2024, which will target wells on both the Bruce and Keith fields. We are also looking forward to the start of a four well drilling campaign in the Triton area, with the first well on the Bittern field scheduled to begin around the middle of the first quarter. 2024 is anticipated to be a very busy and impactful year of investments in Serica's North Sea portfolio.

The levels of production achieved and the range of organic investment projects undertaken underlines the attributes of the Tailwind acquisition. The Tailwind founders will substantially cease their involvement in Serica during the early part of next year. We are grateful for their openness and support during 2023. Each has made important contributions to Serica including pivotal roles in our Greater Buchan Area acquisition and achieving important milestones in the Triton area. Their achievement in creating and building Tailwind speaks for itself and we wish them further success in their various endeavours.

I am very pleased to be announcing Mike Killeen's promotion to Chief Operating Officer. At the end of November, we passed five years since Serica became the operator of the Bruce, Keith and Rhum fields. The manner and results of Serica's operatorship have been crucial to establishing the Company as one of the UK's leading independent oil and gas companies. Mike's promotion is richly deserved. Moreover, it demonstrates the capacity within our organisation for career development, which I hope will help us attract and keep talented people."

Group Production

Serica's overall production entitlement during the last four weeks has averaged just over 52,000 boe per day. Guidance for the whole year remains at 40-45,000 boe per day reflecting a slower than planned ramp up of production following the end of the planned summer shutdowns on the Bruce and Triton hubs.

Bruce Hub

Production restarted on 11 September 2023 after the planned Bruce summer shutdown. The shutdown work scope was successfully completed including the upgrading of certain control systems and fabric maintenance. This outcome means that the next major shutdown is now not expected to be until 2025.

The restart of production was later than planned, as previously reported, mainly due to a decision to carry out permanent rather than temporary repairs following inspection findings on the flare tower. The carrying out of these repairs at height was hampered by weather.

Strong levels of production have been established from both the Bruce and Rhum fields with Serica's average production entitlement being over 24,000 boe per day during the last four weeks. Production has been constrained by being unable to run one of the gas export compressors at full capacity. This issue is now substantially resolved. There was also a short outage to make a repair to the glycol dehydration system.

Commencing in September, Serica has been conducting its second Light Well Intervention Vessel ("LWIV") campaign on the Bruce field. This has involved successfully re-entering three wells to identify areas of scale build-up, perform water shut offs and perforate target intervals. With work on one well still to finish, there has been an uplift in overall production from the re-entered wells of about 2,500 boe per day so far. Serica has a 98% share with gas representing about 85% of the incremental production.

Serica has now intervened on five of the subsea wells that form the Western Area Development ("WAD") part of the Bruce complex. Since taking over operatorship, Serica has also re-entered fourteen Bruce platform wells. The results have demonstrated the benefits of low cost well interventions and a third LWIV campaign is planned during 2024 which will involve work on both Bruce and Keith wells. The inventory of platform wells on the Bruce field is also being high graded for potential future interventions.

Serica is currently carrying out vessel-based final abandonments of four exploration and appraisal wells on the Keith field and the North Eigg exploration well. This campaign is consistent with the NSTA's initiative to reduce the number of suspended inactive wells in the UK North Sea. The abandonments are scheduled to be completed in late December 2023. Despite owning 100% of the Keith field, Serica's share of the costs of the well abandonments under the terms of the BKR sale and purchase agreements is 8.34%. The sellers retain the remaining 91.66% of the liabilities with Serica paying additional cash consideration equal to 30% of the sellers' post-tax share of costs. The work does not affect the plan to bring the Keith field back into production during 2024. Serica bears all the cost of abandoning the North Eigg well.

Triton Area

The Triton summer shutdown was completed in September 2023. This was supported by the 'walk to work' campaign which continued into October. The activities carried out included essential fabric maintenance and inspections, a further phase of the control systems upgrade and preparation for the reinstatement of water injection on the Bittern field, which is planned to restart in early 2024.

Good production rates are being achieved from all of Serica's fields in the Triton Area. As previously reported, this is after a slower ramp up in production than planned following the shutdown. The reasons included an essential repair on a piece of equipment identified during a pre-production inspection, a seawater lift pump failure and initial difficulties operating the upgraded FPSO control systems. These issues are now resolved.

During the middle of this year, a rig-based well intervention campaign was carried out on the Guillemot West and North West fields. These were the first such interventions on the fields in over ten years and have resulted in incremental gross daily production of about 1,500 barrels of oil from one well and 12 million cubic feet of gas from another, both of which had been shut-in for lengthy periods. Serica's interest in these fields is 10%. As with the Bruce field, these outcomes demonstrate the low risk returns which can be earned from diligent field management.

Planning is continuing for the four well drilling campaign scheduled for 2024 and early 2025. The campaign is being carried out using the semi-submersible COSLInnovator drilling rig. All four wells are production wells. The first well in the campaign will be a sidetrack of an existing well (B1z) on the Bittern field (Serica 64.63%). The spud date is currently expected to be in mid Q1 of 2024 with

completion of the well expected in about ninety days. The other wells in the campaign are the GE-05 well on Gannet E (Serica 100%), the EC well on Guillemot North West (Serica 10%), and the EV-02 well on Evelyn (Serica 100%).

Serica has also exercised an option to use the COSLInnovator to drill a fifth well in the campaign. This may be the development well on the Belinda field. The draft FDP for this project was submitted to the NSTA in September 2023.

Licencing

The process of completing the acquisition of a 30% interest in the Greater Buchan Area from Jersey Oil & Gas, announced on 23 November 2023, is ongoing.

Licence P2448, which contains the Mansell discovery, expires in March 2024. Serica has requested an extension to the licence term in order, primarily, to determine whether there is a viable long-term export route for production.

The licence documentation for the award in the UKCS 33rd Offshore Licensing Round of a 100% interest in UK block 29/2a, containing the Kyle discovery in the Triton Area, is in the process of being finalised.

Serica has relinquished Licence P2506, blocks 3/25b, 3/30, 4/26, 9/5a, in the Northern North Sea at the end of Phase A of the Licence. This follows the fulfilment of its work programme including sub-surface studies. Serica concluded that there are no viable exploration targets.

Organisation

The integration of the Serica and Tailwind organisations and processes has been progressed since the completion of the Tailwind acquisition in March 2023. Steve Edwards, Dave Freeman and Tom Ujejski will be ending their roles with Serica by the end of March 2024. Jacques Tohme is currently working for Serica in a consultancy position, assisting with the integration of the financial systems and other financing matters. This arrangement is planned to continue into 2024.

As reported on 21 November 2023, Martin Copeland will succeed Andy Bell as CFO in early 2024.

As part of the restructuring of the organisation, Mike Killeen has moved from the position of Vice President Operations to Chief Operating Officer. This role is not currently part of the Serica Energy plc board.

Regulatory

This announcement is inside information for the purposes of Article 7 of Regulation 596/2014.

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 & 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).

Enquiries:

Serica Energy plc

Mitch Flegg (CEO) / Andy Bell (CFO) / Stephen Lambert (VP Legal and External Relations)

+44 (0)20 7390 0230

Peel Hunt (Nomad & Joint Broker)

Richard Crichton / David McKeown / Georgia Langoulant

+44 (0)20 7418 8900

Jefferies (Joint Broker)

Sam Barnett / Will Soutar

+44 (0)20 7029 8000

Vigo Consulting (PR Advisor)

Patrick d'Ancona / Finlay Thomson

+44 (0)20 7390 0230

serica@vigoconsulting.com

NOTES TO EDITORS

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

Serica completed the acquisition of the entire issued share capital of Tailwind Energy Investments Ltd on 23 March 2023.

Following the addition of the Tailwind assets to its portfolio, Serica has a balance of gas and oil production. The Company is responsible for about 5% of the natural gas produced in the UK, a key element in the UK's energy transition.

Serica's producing assets are focused around two main hubs: the Bruce, Keith and Rhum fields in the UK Northern North Sea, which it operates, and a mix of operated and non-operated fields tied back to the Triton FPSO. Serica also has operated interests in the producing Columbus (UK Central North Sea) and Orlando (UK Northern North Sea) fields and a non-operated interest in the producing Erskine field in the UK Central North Sea.

Serica's portfolio of assets includes several organic investment opportunities which are currently being pursued or are under consideration.

Further information on the Company can be found at www.serica-energy.com. The Company's shares are traded on the AIM market of the London Stock Exchange under the ticker SQZ and the Company is a designated foreign issuer on the TSX. To receive Company news releases via email, please subscribe via the Company website.