

Serica Energy plc

Reserves Committee ('Reserves') Committee

Terms of Reference

1. Constitution

- 1.1 The Reserves Committee (the 'Committee') is constituted as a sub committee of the Audit Committee of Serica Energy plc (the 'Company').
- 1.2 The Committee's terms of reference may be amended at any time by the board of the Company ('the Board').
- 1.3 The Committee may from time to time investigate, discuss or review matters outside its terms of reference if required to do so by the Board.

2. Membership

- 2.1 Members of the Committee shall be appointed by the Board on the recommendation of the other members of the Committee if appropriate.
- 2.2 The Committee must comprise of a minimum of three members from the Directors of the Company, the majority of whom shall be independent, non-executive directors who meet the independence requirements of the regulatory bodies to which the Company may be subject to.
- 2.3 Appointments to the Committee shall be for a period of up to one year, which may be extended, provided the director still meets the criteria for membership of the Committee.
- 2.4 The Board may at any time remove or replace any member of the Committee and may fill any vacancy within the Committee.

3. Chairman

- 3.1 The Board shall appoint the Chairman of the Committee.
- 3.2 If the Chairman is not present at a Committee meeting, the members of the Committee may designate a chair by majority vote of the Committee.

4. Secretary

- 4.1 The Company Secretary or Assistant Company Secretary shall be the secretary of the Committee. The secretary of the Committee shall attend meetings of the Committee to take minutes.

5. Notices of Meetings

- 5.1 Meetings of the Committee shall be summoned by the secretary of the Committee at the request of any of its members.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, and to any other person required to attend within a reasonable time prior to the date of the meeting. Any member of the Committee shall be entitled, by notice to the secretary of the Committee, to include other matters relevant to the functions of the Committee in the agenda of a Committee meeting.

6. Quorum

- 6.1 The quorum necessary for the transaction of business of the Committee shall be two members.

7. Frequency of Meetings

- 7.1 The Committee shall meet at least once a year prior to publication of the annual results and when deemed necessary at such times and locations as may be requested by the Chairman. Any member of the Committee may request a meeting if he/she considers that one is necessary.

8. Attendance at Meetings

- 8.1 Members of the Committee may attend meetings of the Committee either in person or through other electronic means of communication.
- 8.2 Apart from the members of the Committee, other members of the Board, employees and external advisers may be invited to attend for all or part of any meeting as and when appropriate.

9. Minutes of Meetings

- 9.1 The secretary of the Committee in attendance at the meetings of the Committee shall minute in sufficient detail the proceedings and resolutions of all such meetings, including the names of those present and in attendance.
- 9.2 Draft minutes of Committee meetings shall be agreed with the Committee Chairman and then circulated promptly to all members of the Committee.

10. Purpose

10.1 The Committee's purpose is to review the reports of the independent reserves auditors and ensure the Company's compliance with legal and regulatory requirements.

11. Duties

11.1 The overall duties and responsibilities of the Committee shall be as follows:

- Evaluating the effectiveness of the Company's technical Reserves processes and standards.
- Assisting the Board in the Company's compliance with legal and regulatory requirements.
- Reviewing the Company's procedures for providing information to the qualified reserves evaluator or auditor who reports on reserves data.
- Meeting with the Company's management and the qualified reserves evaluator or auditor, to review the reserves data and the auditor's annual reserves report.
- Determining whether any restrictions affect the ability of the qualified reserves evaluator or auditor to report on reserves data without reservation.
- Reviewing the results of management and independent audits of the Company's reserves and resources and advising the Audit Committee of the Company and, where appropriate, the Board of its conclusions in respect of the same.
- Reviewing and recommending to the Board for approval the content and filing of the Company's annual statement of reserves data and other oil and gas information.

12. Committee Authority

The Committee shall be authorised to obtain advice and assistance from internal and external legal, accounting or other advisors as the Committee requires for the performance of its duties; advising the Board of its selection of outside experts and reporting to the Board the findings of those experts.

13. Reporting to the Board

The Committee shall report to the Audit Committee and to the Board.