

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

## Serica completes farm out to Centrica of Blocks 113/26b and 113/27c UK East Irish Sea

**London, 5 August 2014** – Serica Energy plc (AIM & TSX: SQZ) is pleased to confirm it has now completed the farm out of UK East Irish Sea Blocks 113/26b and 113/27c (Licence P.1482) with Centrica through its subsidiary Hydrocarbon Resources Limited ("HRL").

Under the agreement, HRL has acquired an operated 45% interest in the licence, with Serica retaining 20%, in consideration for HRL bearing Serica's share of costs associated with the drilling of an exploration well, up to a gross cap of £11 million. In addition, the transaction involved the transfer from Serica to HRL of a 15% interest and operatorship in the adjacent Block 113/22a (Licence P.2124), which was awarded in the 27<sup>th</sup> Offshore Licensing Round. The equity interests over the two licences are now aligned.

The Doyle gas prospect, lying in the north of Block 113/27c and extending into Block 113/22a, is ready to drill. The site survey for this prospect has been completed and planning for the well is under way.

### Tony Craven Walker, Serica's Chairman and CEO said:

***"We are extremely pleased to complete this agreement and look forward to confirming the drilling of the Doyle well in the near future. Successful negotiations with the nearby Walney Extension Wind Farm owners have secured a corridor for a potential gas pipeline to Rhyl. In the event of a commercial discovery, Doyle is ideally placed for a fast-track development and early gas production due to available capacity in nearby infrastructure."***

### Enquiries:

#### Serica Energy plc

Tony Craven Walker, Chairman & CEO	<a href="mailto:tony.cravenwalker@serica-energy.com">tony.cravenwalker@serica-energy.com</a>	+44 (0)20 7487 7300
Mitch Flegg, COO	<a href="mailto:mitch.flegg@serica-energy.com">mitch.flegg@serica-energy.com</a>	+44 (0)20 7487 7300
Chris Hearne, CFO	<a href="mailto:chris.hearne@serica-energy.com">chris.hearne@serica-energy.com</a>	+44 (0)20 7487 7300

#### Peel Hunt

Richard Crichton	<a href="mailto:richard.crichton@peelhunt.com">richard.crichton@peelhunt.com</a>	+44 (0)20 7418 8900
Charles Batten	<a href="mailto:charles.batten@peelhunt.com">charles.batten@peelhunt.com</a>	+44 (0)20 7418 8900

#### Instinctif

David Simonson	<a href="mailto:david.simonson@instinctif.com">david.simonson@instinctif.com</a>	+44 (0)20 7457 2020
Catherine Wickman	<a href="mailto:catherine.wickman@instinctif.com">catherine.wickman@instinctif.com</a>	+44 (0)20 7457 2020

### NOTES TO EDITORS

Serica Energy is an oil and gas exploration and production company with exploration, development and production assets in the UK and Norway and exploration interests in the Atlantic margins offshore Ireland and West Africa. The Company is actively exploring its licences offshore UK, Ireland, Morocco and Namibia in partnership with other companies. Further information on the Company can be found at [www.serica-energy.com](http://www.serica-energy.com).

The Company is listed on the London AIM and is listed as a designated foreign issuer on the Toronto Stock Exchange in both cases under the ticker SQZ. To receive Company news releases via email, please contact [serica@instinctif.com](mailto:serica@instinctif.com) and specify "Serica press releases" in the subject line.

The technical information contained in the announcement has been reviewed and approved by Mitch Flegg, Chief Operating Officer of Serica Energy plc. Mitch Flegg (BSc in Physics from Birmingham University) has 32 years of experience in oil & gas exploration and development and is a member of the Society of Petroleum Engineers (SPE) and the Petroleum Exploration Society of Great Britain (PESGB).

**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: geological, geophysical and technical risk, the impact of general economic conditions where Serica Energy plc operates, industry conditions, changes in laws, taxes 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 therefrom.