

25 May 2023

Dear Shareholder

Please find attached the Notice of Annual General Meeting of Serica Energy plc (the "Company") to be held at 12:00pm on Thursday 29 June 2023 (the "AGM") at the offices of Peel Hunt LLP, 100 Liverpool Street, London, EC2M 2AT.

At this year's AGM, there are, as usual, a number of resolutions which shareholders will be asked to approve. These include, in line with our normal practice approval of the Company's financial statements for 2022, re-appointment of the Company's auditors, the appointment and re-appointment of directors in accordance with the Company's Articles of Association, the approval of a final dividend for 2022 and renewal of various authorities passed at last year's AGM such as the authority to allot shares and for the Company to purchase its own shares.

We have also included a shareholder resolution (Resolution 14) to remedy a technical oversight relating to dividend payments made in July and November last year and to enable shareholders other than directors (who are precluded from voting) to formally ratify those payments. Please see the further explanation in the section which follows the notice itself. All necessary steps have been taken to ensure this oversight is not repeated in the future.

During the meeting management intends, as usual, to give an update on the Company's activities, particularly in view of the substantial increase in activities since the acquisition of Tailwind earlier this year. In relation to the final dividend proposed for the year of 14 pence per share, I am delighted that we are able to seek this authority which, if approved, would bring the total dividend paid in respect of 2022 to 22 pence per share and underscores the confidence that the Board has in the Company's performance.

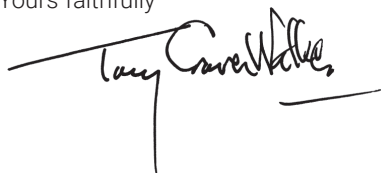
Resolutions 1 to 11 will be proposed as ordinary resolutions which means that more than half the votes cast must be in favour of the resolutions in order for them to be passed. Resolutions 12 to 14 are special resolutions which means that at least three-quarters of the votes cast must be in favour of the resolutions.

Attached to this letter, following the Notice of the Meeting, are further details for each of the Resolutions, other than Resolutions 1 to 3 (approval of the financial statements for 2022 and re-appointment of the auditors) which are self-explanatory. I hope these additional details provide full background and explanation. A full set of the Company's Articles of Association is published on our web-site www.serica-energy.com

You will not have received a hard copy proxy form in the post and you are therefore requested to submit your proxy vote electronically by accessing the shareholder portal at www.signalshares.com, logging in and selecting the 'Vote Online Now' link. If you are a CREST member you may register the appointment of a proxy by using the CREST electronic proxy appointment service. Alternatively, you may request a hard copy proxy form directly from the Registrar, Link Group. Full details of how to vote and appoint proxies and the contact details for Link Group are set out in the notes to the Notice of AGM. Please submit your proxy vote so as to reach the Company's Registrar as soon as possible and in any event no later than 12:00pm on 27 June 2023 or, if you are a CREST member, by using the service provided by Euroclear. Shareholders are urged to submit your proxy vote as soon as possible and to appoint the chair of the AGM as your proxy, whether or not you intend to attend the AGM.

This Annual General Meeting will be my last as Chairman of your Company. Accordingly, I look forward to meeting as many of you as are able to join and to introducing you to my successor David Latin who will be taking over as Chair after closure of the meeting. David has been on the Board since the end of 2021 and brings enormous experience to the Company. With David in the Chair and a strong Board and Executive Team, I am sure that the Company is in good hands. It has been my pleasure to act for you over the many years.

Yours faithfully



Antony Craven Walker
Non-Executive Chair

SERICA ENERGY plc

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 05450950)

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the 2023 Annual General Meeting of the shareholders of Serica Energy plc ("the Company") will be held on Thursday 29 June 2023 (the "AGM") at 12:00pm (British Summer Time) at the offices of Peel Hunt LLP, 100 Liverpool Street, London, EC2M 2AT for the purpose of considering and, if thought fit, passing the following resolutions, of which resolutions 1 to 11 will be proposed as ordinary resolutions and resolutions 12 to 14 will be proposed as a special resolutions:

ORDINARY RESOLUTIONS

1. to receive the consolidated financial statements and the reports of the Board of Directors and of the auditors for the year ended 31 December 2022.
2. to re-appoint Ernst & Young LLP as auditors of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
3. to authorise the Board of Directors to fix the remuneration of the auditors of the Company.
4. to re-appoint Mitchell Flegg as a Director of the Company.
5. to re-appoint Katherine Coppinger as a Director of the Company.
6. to appoint Jérôme Schmitt as a Director of the Company.
7. to appoint Michiel Soeting as a Director of the Company.
8. to appoint Robert Lawson as a Director of the Company.
9. to appoint Guillaume Vermersch as a Director of the Company.
10. to declare a final dividend of 14p per ordinary share in respect of the year ended 31 December 2022 as recommended by the Board of Directors.
11. that the Directors be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company:
 - i. up to an aggregate nominal amount of US\$ 12,646,281; and
 - ii. in addition to the amount referred to in paragraph (i) above, up to a further aggregate nominal amount of US\$ 12,646,281 in connection with or pursuant to an offer by way of a rights issue to: (a) holders of ordinary shares made in proportion (as nearly as practicable) to the respective number of ordinary shares held by them on the record date that the Directors may determine for such allotment, and (b) holders of any other class of equity securities (within the meaning of section 560 of the Act) entitled to participate therein or, if the Directors consider it necessary, as permitted by the rights of those securities, but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates, or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever,

provided that this authority shall expire on 30 June 2024 or, if earlier, at the conclusion of the Annual General Meeting of the Company in 2024, save that the Company shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or rights to be granted after such expiry and the Directors shall be entitled to allot shares or grant rights to subscribe for or convert any security into shares in the Company pursuant to any such offer or agreement as if this authority had not expired.

SPECIAL RESOLUTIONS

12. That, subject to the passing of Resolution 11, the Directors be and they are hereby empowered pursuant to section 570 and section 573 of the Companies Act 2006 (the "Act") to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by Resolution 11 or sell ordinary shares held by the Company as treasury shares for cash, as if section 561(1) of the Act did not apply to such allotment or sale provided that this power shall be limited to the allotment of equity securities and the sale of treasury shares:

- i. in connection with an issue or offer of or invitation to acquire equity securities (but, in the case of the authority granted under paragraph (ii) of Resolution 11, by way of a rights issue only) in favour of holders of ordinary shares in proportion (as nearly as may be practicable) to the respective numbers of ordinary shares held by them on the record date for such allotment or sale (and holders of any other class of equity securities entitled to participate therein or if the Directors consider it necessary as permitted by the rights of those securities), but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with fractional entitlements, treasury shares, record dates, or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever; and
- ii. in the case of the authority granted under paragraph (i) of Resolution 11 above (or in the case of any sale of treasury shares) and otherwise than pursuant to paragraph (i) of this Resolution 12 above up to an aggregate nominal amount of US\$ 3,832,206,

provided that this authority shall expire on 30 June 2024 or, if earlier, at the conclusion of the Annual General Meeting of the Company in 2024, save that the Company may before such expiry make any offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry and the Directors may allot equity securities or sell treasury shares in pursuance of such offer or agreement as if this power had not expired.

13. That, the Company is generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 (the "Act") to make market purchases (within the meaning of section 693(4) of the Act) of any of its ordinary shares of US\$0.10 each in the capital of the Company on such terms and in such manner as the Directors may from time to time determine provided that:

- i. the maximum aggregate number of ordinary shares which may be purchased is 38,322,063;
- ii. the minimum price (exclusive of expenses) which may be paid for each ordinary share is US\$0.10; and
- iii. the maximum price (exclusive of expenses) which may be paid for each ordinary share is an amount equal to the higher of:
 - a. 105 per cent of the average middle market quotations for a share of the Company as derived from the AIM Appendix to the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such ordinary share is contracted to be purchased; and
 - b. the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venues where the purchase is carried out.

This authority shall expire at the conclusion of the Annual General Meeting of the Company in 2024 or on 30 June 2024, whichever is the earlier, provided that the Company may before such expiry make a contract to purchase ordinary shares which would or may be executed or completed wholly or partly after such expiry and may make a purchase of ordinary shares in pursuance of such contract as if the authority conferred by this Resolution had not expired.

14. That,

- i. the Company hereby ratifies and confirms the payment of
 - 9 pence per ordinary share of US\$0.10 each in the capital of the Company by way of dividend paid on 22 July 2022 and the appropriation, for the purposes of the preparation of the Company's audited financial statements for the financial year ended 31 December 2022, of the distributable profits of the Company to the payment of such dividend and the resulting entry for the distributable profits of the Company in such financial statements (the "July Dividend"); and
 - 8 pence per ordinary share of US\$0.10 each in the capital of the Company by way of interim dividend paid on 25 November 2022 and the appropriation, for the purposes of the preparation of the Company's audited financial statements for the financial year ended 31 December 2022, of the distributable profits of the Company to the payment of such interim dividend and the resulting entry for the distributable profits of the Company in such financial statements (the "November Dividend" and, together with the July Dividend, the "Dividends");

- ii. any and all claims which the Company has or may have in respect of the payment of the Dividends against its shareholders who appeared on the register of shareholders on the relevant record date for each of the Dividends (or the personal representatives and their successors in title (as appropriate) of a shareholder's estate if he or she is deceased) be waived and released pursuant to a deed of release in favour of such shareholders (or the personal representatives and their successors in title (as appropriate) of a shareholder's estate if he or she is deceased), to be entered into by the Company in the form produced to the meeting and initialled by the Chairman for the purposes of identification, and any Director in the presence of a witness, any two Directors or any Director and the Company Secretary be authorised to execute the same as a Deed Poll for and on behalf of the Company; and
- iii. any and all claims which the Company has or may have against persons who were directors of the Company at the time of payment of the Dividends arising out of or in connection with the payment of the Dividends be waived and released pursuant to a deed of release in favour of each of such Directors, to be entered into by the Company in the form produced to the meeting and initialled by the Chairman for the purposes of identification, and any Director in the presence of a witness, any two Directors or any Director and the Company Secretary be authorised to execute the same as a Deed Poll for and on behalf of the Company.

DATED 25 MAY 2023

BY ORDER OF THE BOARD OF DIRECTORS

Antony Craven Walker

Non-Executive Chair

NOTES

1. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that in order to have the right to attend and vote at the AGM (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be entered on the register of members of the Company no later than 6.00pm on the day that is two days before the time for holding the AGM or any adjournment of it. Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the AGM.
2. Only holders of ordinary shares are entitled to attend and vote at this Meeting.

A member is entitled to appoint another person as his proxy to exercise all or any of his rights to attend, to speak and to vote at the AGM. A member may appoint more than one proxy in relation to the AGM, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. A proxy need not be a member of the Company. You will not have received a hard copy proxy for the AGM in the post. You can instead submit your proxy vote electronically. You may also request a hard copy proxy form from the Registrars. Full details of how to vote are set out below.

Proxy Voting: As you will not have received a hard copy proxy for the AGM in the post, you can instead submit your proxy vote electronically by accessing the shareholder portal at www.signalshares.com, logging in and selecting the 'Vote Online Now' link. You will require your username and password in order to log in and vote. If you have forgotten your username or password you can request a reminder via the shareholder portal. If you have not previously registered to use the portal you will require your investor code ("IVC") which can be found on your share certificate. Proxy votes should be submitted as early as possible and in any event, no later than 48 hours before the time for the holding of the AGM or any adjournment of it. You may request a hard copy proxy form directly from the Registrars, Link Group by emailing shareholderenquiries@linkgroup.co.uk or by post at Link Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. To be valid, any hard copy proxy form must be received by post or (during normal business hours only) by hand at Link Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL no later than 48 hours before the time for the holding of the AGM or any adjournment of it.

Link Group, the company's registrar, has launched a shareholder app: LinkVote+. It's free to download and use and gives shareholders the ability to access their shareholding record at any time and allows users to submit a proxy appointment quickly and easily online rather than through the post. The app is available to download on both the Apple App Store and Google Play.

3. Alternatively, if you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service. Further details are contained below.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) thereof by using the procedures, and to the address, described in the CREST Manual (available via www.euroclear.com) subject to the provisions of the Company's articles of association. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear UK and International Limited's ("**Euroclear**") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID: RA10) by the latest time(s) for receipt of proxy appointments specified in this Notice of AGM. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee directly by the shareholder.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s)

are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

4. Proxymity Voting - if you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12.00pm on 27 June 2023 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.
5. Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion withhold from voting.
6. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
7. Any member attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if (a) to do so would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.
8. As at 25 May 2023 (being the last practicable date prior to the publication of this Notice) the Company's issued ordinary share capital consists of 383,220,637 ordinary shares of US\$0.10 each, carrying one vote each. No shares are held in treasury. Therefore the total voting rights in the Company as at that date are 383,220,637.
9. You may not use any electronic address (within the meaning of section 333(4) of the Companies Act 2006) provided in this Notice of AGM (or in any related documents including the proxy form) to communicate with the Company for any purposes other than those expressly stated.
10. A copy of this Notice of AGM can be found at www.serica-energy.com.

Annual General Meeting of Serica Energy plc (the "Company"), Thursday 29 June 2023

Further Background and Explanatory Notes

Resolutions 4 - 9 – Re-appointment of directors:

Resolutions 4 to 9 concern the appointment and re-appointment of Directors of the Company. The Board has, since last year's AGM, appointed four new Directors. In accordance with Article 83 of the Company's Articles of Association Jérôme Schmitt, Michiel Soeting, Robert Lawson and Guillaume Vermersch are standing for appointment. Short biographical details of Mr Schmitt, Mr Soeting, Mr Lawson and Mr Vermersch are set out on page 33 of the 2022 Annual Report.

In addition, in accordance with Article 84(1)(b) of the Company's Articles of Association Mitchell Flegg and Katherine Coppinger are retiring as directors by rotation and standing for re-appointment. Short biographical details of Mr Flegg and Ms Coppinger are set out on pages 32 and 33 of the 2022 Annual Report.

Resolution 10 – Dividend payment:

The Directors recommend the payment of a final dividend of 14p per ordinary share in respect of the year ended 31 December 2022. In the event that the resolution is passed the dividend will be paid on 27 July 2023 to shareholders on the register on 30 June 2023. Taken together with the interim dividend paid to shareholders on 25 November 2022 would bring the total dividend paid in respect of 2022 to 22 pence per share.

Resolution 11 – Allotment of share capital:

Your Directors may allot shares and grant rights to subscribe for, or convert, any security into shares only if authorised to do so by shareholders. The authority granted at the last AGM is due to expire at this year's AGM. Accordingly, Resolution 11 will be proposed as an ordinary resolution to grant new authorities to your Directors. In accordance with guidelines issued by The Investment Association, this resolution will, if passed, provide your Directors with flexibility to allot shares and grant rights to subscribe for, or convert any security into shares (a) up to an aggregate nominal amount of US\$ 12,646,281 representing approximately one third of the Company's issued ordinary share capital as at 25 May 2023; and (b) up to a further aggregate nominal amount of US\$ 12,646,281 in connection with a rights issue, representing approximately a further one third of the Company's issued ordinary share capital as at 25 May 2023.

If given, this authority will expire on 30 June 2024 or at the conclusion of the next annual general meeting whichever occurs earlier.

Resolution 12 – Disapplication of statutory pre-emption rights:

Resolution 12 (which is conditional on resolution 11 being passed) will, if passed as a special resolution, renew broadly on the same terms as the authority given at last year's AGM enabling your Directors to allot shares (and other equity securities) for cash and otherwise than to existing shareholders pro rata to their holdings, up to an aggregate nominal amount of US\$ 3,832,206, representing approximately 10% of the Company's issued ordinary share capital as at 25 May 2023. The purpose of this authority is to enable the Company to take advantage of specific opportunities to raise additional finance quickly if required, and without the time, cost and expense of the Company having to publish a circular to shareholders. If given, this authority will expire on 30 June 2024 or at the conclusion of the next annual general meeting whichever occurs earlier.

The directors are aware that, in November 2022, the Pre-Emption Group ("PEG"), which provides best practice advice to listed companies and shareholders on pre-emption issues, issued a revised Statement of Principles on Disapplying Pre-Emption Rights (the "Statement of Principles"). Under this revised Statement of Principles, a company may seek shareholder approval by special resolution(s) for a non-pre-emptive issue of up to 10% of issued ordinary share capital on an unrestricted basis (as proposed under this resolution 12) plus an additional 10% of issued ordinary share capital in connection with an acquisition or a specified capital investment (announced contemporaneously with the issue, or which has taken place in the preceding 12 month period). Although some listed companies are seeking shareholder approval for this increased authority, other listed companies are not seeking this increased authority. On balance, the Directors believe it is better to seek the same authority as last year rather than seek a bigger authority.

Resolution 13 – Authority for the Company to purchase its own shares:

In certain circumstances, it may be advantageous for the Company to have the flexibility to purchase its own ordinary shares and this resolution seeks authority to enable the Company to make market purchases of up to 38,322,063 shares, representing approximately 10% of its issued share capital as at 25 May 2023. The maximum and minimum prices are stated in the resolution. The authority will expire at the conclusion of the Company's next annual general meeting, or on 30 June 2024, whichever occurs earlier. The Board intends to seek renewal of this authority at subsequent annual general meetings in accordance with current best practice.

The Directors have no present intention of exercising the authority to purchase any of the Company's ordinary shares but wish to have the ability should the returns from such purchase be more attractive than other routes such as special dividends and where the Directors consider that the Company has surplus capital which could not be profitably invested in growing the business. The Directors intend to exercise this authority only after taking into account the effects on earnings per ordinary share and if such purchase is in the interests of shareholders generally.

The Companies Act 2006 (the "Act") allows the Company to hold its own shares in treasury following a buyback instead of having to cancel them. This enables the Company to re-issue treasury shares quickly and cost-effectively and provides the Company with additional flexibility in the management of its capital base. Such shares may be resold for cash, but all rights attaching to them, including voting rights and any right to receive dividends, are suspended while they are held in treasury. The Company currently holds no ordinary shares in treasury.

Resolution 14 – Relevant Distributions

This Resolution relates to certain technical issues in respect of the Company's payment of dividends in July 2022 and November 2022 (the "Relevant Distributions").

The Companies Act 2006 (the "Act") provides that a public company may pay a dividend out of its distributable profits as shown in the last accounts circulated to members or, if interim accounts are used, those that have been filed at Companies House. These requirements apply notwithstanding that the company in question has sufficient distributable profits to pay the relevant dividend at the relevant time.

The Company has always filed its statutory annual accounts in accordance with the requirements of the Act, and at all times had sufficient distributable profits to justify the Relevant Distributions. In the case of the Relevant Distributions, the Company was in a position to be able to deliver interim accounts showing the requisite level of distributable profits for each Relevant Distribution to Companies House to satisfy the procedural requirements of the Act. However, regrettably, due to an administrative oversight it did not do so. These involuntary omissions constitute a procedural breach of the Act. Consequently, the Company may have claims against past and present shareholders who were recipients of the Relevant Distributions (the "Recipient Shareholders") and against persons who were directors of the Company at the time of payment of any Relevant Distribution (the "Relevant Directors") up to the aggregate amount of the Relevant Distributions. It is therefore proposed that the Company enter into a deed of release in respect of the Recipient Shareholders (the "Shareholders' Deed of Release") and a deed of release in respect of the Relevant Directors (the "Directors' Deed of Release"), the form of each of which is contained in schedule 1.

If passed, this Resolution will ratify the Relevant Distributions and give the Board authority to enter into the Deeds of Release and put all potentially affected parties, so far as possible, in the position in which they were always intended to be had the Relevant Distributions been made in accordance with the procedural requirements of the Act.

This does not mean that there will be any changes to dividend payments paid previously. We are grateful for shareholders' understanding in this matter and note that the Company has already filed the relevant accounts with Companies House and has also taken the necessary steps to ensure that in future any procedural issues do not arise in relation to the payment of dividends.

The Relevant Directors (and any shareholder connected with a Relevant Director) are precluded from considering or voting on Resolution 14. As required by the AIM Rules for Companies, the Directors excluding the Relevant Directors, having consulted with Peel Hunt LLP in its capacity as the Company's Nominated Adviser, consider that (i) the waiver of claims pursuant to Resolution 14 and (ii) the entry into the Directors' Deed of Release are fair and reasonable insofar as the shareholders of the Company are concerned.

Further additional information relevant to Resolution 14 and explanation is set out below.

Additional Information Relevant to Resolution 14

1. The Relevant Distributions

The Board has become aware of a technical issue in respect of the Company's procedures for the dividends paid by the Company on 22 July 2022 and 25 November 2022 (the "Relevant Distributions").

This issue, which is described in the preceding section of this document, resulted in the Relevant Distributions being made otherwise than in accordance with the Act. This issue only affects the Relevant Distributions and does not affect any other distributions made by the Company.

2. The Consequences of the Relevant Distributions having been made otherwise than in accordance with the Act

The Company has been advised that, as a consequence of the Relevant Distributions having been made otherwise than in accordance with the Act, it may have claims against past and present shareholders who were recipients of the Relevant Distributions and against persons who were directors of the Company at the time of the payment of the Relevant Distributions.

The Board notes, however, that the Company has no intention of bringing such claims.

3. Shareholder Resolution

In order to remedy the potential consequences of the Relevant Distributions having been made otherwise than in accordance with the Act and to put all potentially affected parties, so far as possible, in the position in which they were intended to be had the Relevant Distributions been made in accordance with the requirements of the Act, the Company is proposing Resolution 14, the full text of which is set out in the Notice of AGM, above

If passed, the effect of Resolution 14, which will be proposed as a special resolution, will be to:

- (a) ratify each of the Relevant Distributions and confirm the appropriation of the profits of the Company in the financial year ended 31 December 2022 for the purposes of the Relevant Distributions;
- (b) waive any and all claims which the Company has or may have in respect of the payment of the Relevant Distributions against the Recipient Shareholders (or the personal representatives and their successors in title of the estate of any deceased Recipient Shareholders), such waiver to be effected by way of the entry by the Company into the Shareholders' Deed of Release; and
- (c) waive any and all claims which the Company may have against the Relevant Directors, such waiver to be effected by way of the entry by the Company into the Directors' Deed of Release.

The approach that the Company is proposing by way of Resolution 14 is consistent with the approach taken by other UK incorporated companies whose shares are admitted to trading on AIM or admitted to the Financial Conduct Authority's Official List and to trading on the Main Market of the London Stock Exchange and that have, similarly, made corporate distributions otherwise than in accordance with the Act.

4. The Ratification of the Relevant Distributions, the confirmation of the appropriation of the Company's profits and the Shareholders' Deed of Release

The approach that the Company is proposing involves the ratification of each of the Relevant Distributions and the confirmation of the appropriation of the distributable profits of the Company in the financial year ended 31 December 2022 for the purposes of the Relevant Distributions.

The Company has been advised that it is preferable for shareholders to approve the Company's entry into the Shareholders' Deed of Release, since the release of the Recipient Shareholders (or their personal representatives (and their successors in title) if they are deceased) from any and all claims which the Company has or may have in respect of the payment of the Relevant Distributions will, insofar as those persons remain shareholders of the Company, comprise a shareholder distribution.

The proposed ratification of the Relevant Distributions, the confirmation of the appropriation of the Company's distributable profits in the financial year ended 31 December 2022 for the purposes of the Relevant Distributions and the entry by the Company into the Shareholders' Deed of Release will not, however, have any effect on the Company's financial position. This is because the aggregate amount of the Relevant Distributions is equal to and offset by the release of each Recipient Shareholder from the liability to repay the amount already paid, and the Company will not be required to make any further payments to shareholders in respect of the Relevant Distributions.

In addition, the Company has not recorded or disclosed the potential right to make claims against Recipient Shareholders as an asset or a contingent asset in its financial statements. Under the Company's IFRS accounting policies, it could only record such a right as an asset when an inflow of economic benefits in favour of the Company as a result of such claim or claims being brought was virtually certain. The value of any economic benefit which the Company may derive from bringing claims against the Recipient Shareholders is uncertain (and, in any case, incapable of reliable estimation).

In addition, under IFRS, a contingent asset is required to be disclosed only when an inflow of economic benefits in favour of the Company is probable. The Directors of the Company have concluded that any inflow of economic benefits as a result of such claims is less than probable.

Accordingly, the Company's entry into the Shareholders' Deed of Release will not result in any decrease in the Company's net assets or the level of its distributable reserves.

5. Directors' Deed of Release

The entry by the Company into the Directors' Deed of Release and consequential waiver of any rights of the Company to make claims against the Relevant Directors in respect of the Relevant Distributions constitutes a related party transaction (as defined in the AIM Rules for Companies) as each Relevant Director is a related party for the purposes of the AIM Rules. As required by the AIM Rules for Companies, the Board excluding the Relevant Directors, having consulted with Peel Hunt LLP in its capacity as the Company's Nominated Adviser, considers that (i) the waiver of claims pursuant to Resolution 14 and (ii) the entry into the Directors' Deed of Release are fair and reasonable insofar as the shareholders of the Company are concerned.

The entry by the Company into the Directors' Deed of Release will not have any effect on the Company's financial position because, as with the position in relation to the Relevant Distributions and potential claims against past and present shareholders, the Company has not recorded or disclosed its right potentially to make claims against past and present directors in respect of the Relevant Distributions as an asset or contingent asset of the Company on the same basis that the potential claims against the Relevant Shareholders have not been recorded or disclosed as described in paragraph 4 above.

6. The tax position of UK shareholders

The Company has drawn the attention of HMRC to the circumstances surrounding the payment of the Relevant Distributions and to the steps that are now proposed to address the position. HMRC has confirmed that the tax position of UK resident shareholders is not affected by any irregularity in the Relevant Distributions. Therefore, based on HMRC's current understanding, the passing of Resolution 14 should have no effect on the UK tax position of such persons.

If any UK resident shareholder has any doubts about his or her tax position, he or she should consult with an independent professional advisor.

7. The tax position of non-UK shareholders

It is similarly not expected that the passing of Resolution 14 should have an effect on the tax position of non-UK resident shareholders although the Company has not and does not intend to seek similar confirmation from the tax authorities as it has done from HMRC.

If any non-UK resident shareholder has any doubts about his or her tax position, he or she should consult with an independent professional advisor.

8. Other information

Copies of the final forms of the Shareholders' Deed of Release and the Directors' Deed of Release are contained in schedule 1 of this document. Copies will also be available at the place of the AGM until the conclusion of the AGM.

Schedule 1

Deeds of Release

Directors' Deed of Release

THIS DEED POLL is entered into on 2023

BY SERICA ENERGY PLC (registered number 05450950) whose registered office is at First Floor, 48 George Street, London, England, W1U 7DY (the "**Company**") in favour of **THE PERSONS** set out in the appendix hereto (the "**Directors**").

WHEREAS:

- (A) As explained in the Notice of Annual General Meeting addressed to the shareholders of the Company dated 25 May 2023 that is appended to this deed poll (the "**AGM Notice**"), the directors have become aware of a technical issue in respect of the Company's procedures for the dividends paid by the Company on 22 July 2022 and 25 November 2022 (the "**Relevant Distributions**").
- (B) The Company has been advised that, as a consequence of the Relevant Distributions having been made otherwise than in accordance with the Companies Act 2006, it may have claims against each of the Directors (or their personal representatives and their successors in title (as appropriate) of his or her estate if such Director is deceased).
- (C) Pursuant to resolution 14 set out in the AGM Notice and duly passed by the Company's shareholders at the Annual General Meeting on 29 June 2023, the Company proposes to waive and release any and all claims which it has or may have in respect of the Relevant Distributions against each of the Directors (or personal representatives and their successors in title (as appropriate) of his or her estate if such Director is deceased) and wishes to enter into this deed poll in favour of the Directors and their personal representatives and their successors in title of the estate of any deceased Directors in order to effect the same.

NOW THIS DEED WITNESSES AS FOLLOWS:

1. RELEASE OF DIRECTORS

The Company hereby unconditionally and irrevocably waives and releases each of the Directors or the personal representatives and their successors in title (as appropriate) of his or her estate if such Director is deceased from any and all liability that any of them has or may have to the Company and all claims and demands the Company has or may have against each of them, including, without limitation, any derivative action from or on behalf of shareholders of the Company, in connection with making all or part of the Relevant Distributions.

2. GOVERNING LAW

This deed poll is governed by English law. Any non-contractual obligations arising out of or in connection with this deed poll shall be governed by English law.

IN WITNESS whereof this deed has been duly executed on the date first above written.

Executed as a **DEED POLL** by

SERICA ENERGY PLC acting by:)
)
)
)
Director
Director/Secretary

Appendix

Andrew Stewart Bell
Katherine Jane Coppinger
Antony Craven Walker
Mitchell Robert Flegg
Trevor William Garlick
David Michael Latin
Jerome Schmitt
Malcom Webb

Shareholders' Deed of Release

THIS DEED POLL is entered into on 2023

BY SERICA ENERGY PLC (registered number 05450950) whose registered office is at First Floor, 48 George Street, London, England, W1U 7DY (the "**Company**") in favour of **THE RECIPIENT SHAREHOLDERS**

WHEREAS:

- (A) As explained in the Notice of Annual General Meeting addressed to the shareholders of the Company dated 25 May 2023 that is appended to this deed poll (the "**AGM Notice**"), the directors have become aware of a technical issue in respect of the Company's procedures for the dividends paid by the Company on 22 July 2022 and 25 November 2022 (the "**Relevant Distributions**").
- (B) The Company has been advised that, as a consequence of the Relevant Distributions having been made otherwise than in accordance with the Companies Act 2006, it may have claims against past and present shareholders who were recipients of one or more of the Relevant Distributions (or their personal representatives (and their successors in title) if they are deceased) (the "**Recipient Shareholders**").
- (C) Pursuant to resolution 14 set out in the AGM Notice and duly passed by the Company's shareholders at the Annual General Meeting on 29 June 2023, the Company proposes to waive and release any and all claims which it has or may have in respect of the Relevant Distributions against the Recipient Shareholders and wishes to enter into this deed poll in favour of the Recipient Shareholders in order to effect the same.

NOW THIS DEED WITNESSES AS FOLLOWS:

1. RELEASE OF RECIPIENT SHAREHOLDERS

The Company hereby unconditionally and irrevocably waives and releases each of the Recipient Shareholders from any and all liability that any such Recipient Shareholder has or may have to the Company and all claims and demands the Company has or may have against each of them in connection with receipt by them of all or part of the Relevant Distributions.

2. GOVERNING LAW

This deed poll is governed by English law. Any non-contractual obligations arising out of or in connection with this deed poll shall be governed by English law.

IN WITNESS whereof this deed has been duly executed on the date first above written.

Executed as a **DEED POLL** by

SERICA ENERGY PLC acting by:)
)
)
)
 Director
 Director/Secretary