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Heritage Oil Corporation (“Heritage” or the “Company”)

HERITAGE OIL ANNOUNCES CORPORATE REORGANIZATION

Calgary, Alberta, February 22, 2008 – Heritage Oil Corporation (TSX: HOC) is pleased to announce that it is seeking to implement a corporate reorganization which will result in a newly incorporated, Jersey, Channel Islands company, Heritage Oil Limited (“Heritage Jersey”), becoming the parent company of Heritage and its current subsidiaries. Upon completion of the reorganization, Heritage Jersey’s corporate head office will be located in the Channel Islands and Heritage Jersey will be subject to *The Companies (Jersey) Law 1991* (as amended). In connection with the reorganization, Heritage Jersey will be seeking to list its ordinary shares (“Heritage Jersey Shares”) on the Official List of the United Kingdom Listing Authority (the “UKLA”) and to trading on the Main Market of the London Stock Exchange plc (the “LSE”) (collectively, “Admission”). Heritage intends to delist its existing Common Shares (“Heritage Shares”) from the Toronto Stock Exchange (the “TSX”) and obtain a listing for a new class of exchangeable shares (the “Exchangeable Shares”) on the TSX. JPMorgan Cazenove Limited has been appointed to advise Heritage on the reorganization and to act as Heritage Jersey’s sponsor in connection with Admission.

As part of the reorganization, to be implemented by way of court-approved plan of arrangement (the “Arrangement”) under the *Business Corporations Act* (Alberta), Heritage will be seeking to effectively split its stock such that each existing Heritage Share will be exchanged for either ten Heritage Jersey Shares or ten Exchangeable Shares in accordance with the terms of the Arrangement.

The Board of Directors of Heritage believes that the reorganization of Heritage in a tax efficient manner in accordance with the terms of the Arrangement and Admission will be in the best interests of Heritage and Heritage shareholders for a number of reasons.

The Board of Directors believes that Admission will raise Heritage's profile and status amongst European investors and within the international oil and gas sector generally, and will give Heritage access to an international market with a broad, relevant peer group and considerable research expertise. Furthermore, the Board of Directors believes that in due course Admission, as well as effectively increasing the number of Heritage Jersey Shares and Exchangeable Shares by a factor of ten over the Heritage Shares, should assist in increasing the trading volumes and liquidity of the Heritage Jersey Shares.

In addition, given the geographic spread of Heritage's production, development and exploration licences with a core focus on Africa, the Middle East, and Russia, the Board of Directors believes that it would now be more appropriate for Heritage to be based in Europe, where a substantial number of the Heritage shareholders and most of the management of Heritage reside.

A special meeting of Heritage shareholders and Heritage optionholders has been scheduled for March 20, 2008. In order to proceed, the Arrangement must be approved by not less than 66⅔% of the votes cast by Heritage shareholders, and by not less than 66⅔% of the votes cast by Heritage shareholders and Heritage optionholders voting together at the special meeting. The completion of the Arrangement is also subject to various regulatory or similar approvals, including from the TSX, the UKLA, the LSE, the Jersey Financial Services Commission and the Court of Queen's Bench of Alberta. It is expected that the Arrangement will be completed by the end of March 2008.

Under the terms of the Arrangement, **Canadian residents will be able to elect to exchange each of their Heritage Shares for either ten Exchangeable Shares or ten Heritage Jersey Shares.** Different tax consequences attach to the different elections, and each shareholder is advised to consult their own tax advisors. Each Exchangeable Share will be exchangeable for one Heritage Jersey Share at any time, in accordance with the mechanism set out below. Heritage shareholders who are not residents of Canada will only be able to exchange each of their Heritage Shares for ten Heritage Jersey Shares. The Exchangeable Shares will be securities of Heritage that are, as nearly as practicable, the economic equivalent of Heritage Jersey Shares, and will have, subject to certain limitations, the following rights: (i) the right to exchange their Exchangeable Shares for Heritage Jersey Shares at any time on a one-for-one basis; (ii) the right to receive dividends, on a per share basis, in amounts, or property in the case of non-cash dividends, which are the same as, and which are payable at the same time as, dividends declared on the Heritage Jersey Shares; (iii) the effective right to vote at Heritage Jersey shareholder meetings on the basis of one vote for each Exchangeable Share outstanding; (iv) the right to participate in the case of an insolvency proceeding of Heritage Jersey on a *pro rata* basis with the holders of the Heritage Jersey Shares; and (v) the right to participate in the event of a change of control of Heritage Jersey on a *pro rata* basis with the holders of the Heritage Jersey Shares. The Exchangeable Shares will be subject to mandatory exchange on or after the seventh anniversary of the effective date of the Arrangement, subject to earlier mandatory exchanges in prescribed circumstances.

Canadian resident holders of Heritage Shares who do not submit a completed Letter of Transmittal and Election Form or, in the case of beneficial shareholders, do not provide election instructions through their broker or other intermediary by the election deadline for the Arrangement on March 18, 2008, will be deemed to have elected to receive Heritage Jersey Shares upon completion of the Arrangement.

Consistent with the treatment of the Heritage Shares, the Arrangement will result in each outstanding option to purchase Heritage Shares being exchanged for ten options to purchase Heritage Jersey Shares, and the exercise price for the options to be divided by a factor of ten and converted into pounds sterling of the United Kingdom from Canadian dollars.

Upon completion of the Arrangement, it is expected that current Heritage directors Messrs. Buckingham, Atherton, Hibberd and Turnbull will be appointed as directors of Heritage Jersey. Additional independent directors may also be appointed to the Heritage Jersey board in due course. Messrs. Buckingham and Atherton will serve as the Chief Executive Officer and Chief Financial Officer of Heritage Jersey, respectively.

The Board of Directors of Heritage has unanimously approved the Arrangement and determined that the Arrangement is in the best interests of Heritage and the Heritage shareholders and Heritage optionholders and recommends that all Heritage shareholders and Heritage optionholders vote for the Arrangement, as the Board of Directors intend to do in relation to Heritage Shares in which they are invested.

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. This announcement is for information purposes only and does not constitute an offer or invitation to acquire or dispose of any securities or investment advice in any jurisdiction.

JPMorgan Cazenove Limited is acting exclusively for Heritage and Heritage Jersey and for no one else in connection with the Arrangement and Admission, and will not be responsible to anyone other than Heritage and Heritage Jersey for providing protections afforded to its customers, or for providing advice in relation to any transaction or arrangement referred to herein.

For further information please contact:

Financial Adviser:

JPMorgan Cazenove Limited
Ian Hannam / Neil Haycock / James Taylor
Tel: +44 (0) 20 7588 2828

Investor Relations / PR – Europe
Bell Pottinger Corporate & Financial
Ann-marie Wilkinson / Nick Lambert
Tel: +44 (0) 20 7861 3232

Canada
CHF Investor Relations
Cathy Hume / Lindsay Carpenter
+1 416 868 1079 x231 / x239

Email: AMWilkinson@bell-pottinger.co.uk
NLambert@bell-pottinger.co.uk

cathy@chfir.com /
lindsay@chfir.com

Heritage Oil Corporation

Tony Buckingham / Paul Atherton

Tel: +41 91 973 1800

+44 870 011 5555

+1 403 234 9974

Email: info@heritageoilcorp.com

Note to Editors:

- Heritage is an international oil and gas corporation with a diversified portfolio of properties, including producing properties in Oman and Russia and exploration projects in Uganda, the Democratic Republic of Congo, the Kurdistan region of Iraq, Mali, Pakistan and Malta.
- For further information please refer to our website at www.heritageoilcorp.com.
- This press release is not for distribution to United States Newswire Services or for dissemination in the United States, South Africa, Australia and Japan.
- If you would prefer to receive press releases via email please contact Sarah Gingerich (sarah@chfir.com) and specify "Heritage press releases" in the subject line.

FORWARD-LOOKING STATEMENTS:

Except for statements of historical fact, all statements in this news release – including, without limitation, statements regarding production estimates and future plans and objectives of Heritage as well as statements about the proposed Arrangement, including the timing, implementation or completion of the Arrangement and Admission – are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate; actual results and future events could differ materially from those anticipated in such statements. Factors that could cause actual results to differ materially from anticipated results include risks and uncertainties such as: risks relating to estimates of reserves and recoveries; risks relating to the completion of the Arrangement on its proposed terms, in the time frame proposed or at all; production and operating cost assumptions; development risks and costs; the risk of commodity price fluctuations; political and regulatory risks; and other risks and uncertainties as disclosed under the heading "Risk Factors" in its AIF and elsewhere in Heritage documents filed from time-to-time with the TSX and other regulatory authorities. Further, any forward-looking statement is made only as of a certain date and the Company undertakes no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or reflect the occurrence of unanticipated events, except as may be required by applicable securities laws. New factors emerge from time to time, and it is not possible for management of the Company to predict all of these factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.