



For Immediate Release: Thursday, August 17, 2006

HERITAGE OIL SPUDS KINGFISHER-1 EXPLORATION WELL IN UGANDA

Calgary, Alberta, August 17 – Heritage Oil Corporation (TSX: HOC) today announced that it has commenced drilling the Kingfisher-1 exploration well in Block 3A, Uganda.

As reported last month, the Kingfisher-1 vertical well will be the first in Block 3A's initial program. The well will target a large structural high that is expressed at surface on the lake-bed and has been defined by two 2D seismic surveys. Kingfisher-1 will be drilled from the lakeshore to a vertical/total depth of up to 4,000 metres, targeting multiple pay zones. The well should take approximately 75 days to reach its total depth. Heritage is the operator of Block 3A with a 50% interest, while Tullow Oil owns the remaining 50%.

Exploration prospects for drilling in the Lake Albert area have improved substantially following the recent completion by Hardman Resources of the Waraga-1 well test in Block 2, which lies immediately north of Heritage's permit. Hardman Resources (operator) and its joint venture partner, Tullow Oil, reported in July 2006 that the well test produced an aggregate maximum flow rate of 12,050 bpd from three zones. The oil quality of 8,400 bpd was 33.8 degrees API, while the remaining 3,650 bpd was 18.6 degrees API.

Heritage's Chairman and CEO, Micael Gulbenkian, commented: "Our preliminary work in the Lake Albert area suggests that we are exploring in a promising area and Hardman's recent success there reinforces our own conclusions. We look forward to successful results from Kingfisher-1."

Heritage is an international oil and gas corporation with a producing property in the Sultanate of Oman, a development property in Russia and exploration projects in the Republic of Uganda. The Company announced the sale of its interests in the Republic of Congo, subject to certain conditions precedent, on June 7, 2006. Through its subsidiary KPC, the Company has entered into two MOUs with the Government of Kurdistan, Iraq. Heritage Middle East, which is focusing on Iraq, has an office in Amman, Jordan.

The Company's Common Shares trade on the Toronto Stock Exchange under the symbol HOC.

This press release is not for distribution to United States Newswire Services or for dissemination in the United States.

For further information please contact:

Investors Relations Contacts:

CHF Investor Relations

Cathy Hume

Tel +1 416 868 1079 x231

Email cathy@chfir.com

Heather Colpitts

Tel +1 416 868 1079 x223

Email heather@chfir.com

Heritage Oil Corporation

Swiss/European Contact Details

Micael Gulbenkian / Paul Atherton

Tel +41 91 973 1800 or +44 870 011 5555

Fax +41 91 973 1808 or +44 20 7629 3863

Email info@heritageoilcorp.com

Canadian Contact Details

John McLeod

Tel +1 403 234 9974

Fax +1 403 261 1941

If you would prefer to receive press releases via email contact Ana Augusta (ana@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 – 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; 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" and elsewhere in Heritage documents filed from time-to-time with the Toronto Stock Exchange and other regulatory authorities. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.