



For Immediate Release: Monday, November 14, 2005

HERITAGE OIL CORPORATION REPORTS THIRD QUARTER RESULTS AND OPERATIONAL UPDATE

Calgary, Alberta, November 14 – Heritage Oil Corporation (TSX: HOC) today announced results for the third quarter of 2005. All figures are in U.S. Dollars.

Third Quarter Results: (three-months ended September 30, 2005 compared with three-months ended September 30, 2004)

- Petroleum and natural gas revenue of \$1,809,630 compared with \$2,483,908.
- Total revenue was \$2,140,761 compared with \$2,800,894.
- Earnings of \$196,250 compared with \$2,059,354.
- Net earnings (basic and fully-diluted) per share were \$0.01 compared with \$0.10 and \$0.09 respectively.

Year-To-Date Results: (nine-months ended September 30, 2005 compared with nine-months ended September 30, 2004)

- Petroleum and natural gas revenue was \$4,989,630 compared with \$4,955,567.
- Total revenue was \$6,008,562 compared with \$5,556,132.
- Net losses were \$936,505 compared with earnings of \$1,856,151.*
- Net losses (basic and fully-diluted) per share were \$0.04, compared with net earnings (basic and fully-diluted) per share of \$0.09.*

* *Excludes an extraordinary net gain on the sale of property and equipment of \$26,269,113 in the nine-months ended September 30, 2004.*

Operational Update

Heritage's foremost development of the third quarter of 2005 was the September announcement of K Petroleum Company's ("KPC") Memorandum of Understanding ("MOU") with the Oil, Gas and Petrochemical Establishment ("OGE") of the Government of the Autonomous Region of Kurdistan, Iraq to undertake field studies over an area exceeding 300 square kilometres in Kurdistan, Iraq. The MOU area is adjacent to the Taq Taq oil field and is regarded as one of the most prospective regions for hydrocarbons. KPC, a wholly-owned subsidiary of Heritage Erbil Oil Limited ("Heritage Erbil"), is a joint venture company co-owned with Eagle Group of Iraq. Heritage and Eagle Group each own 50% of Heritage Erbil.

The Taq Taq oil field was declared a discovery after initial drilling in 1960 and a subsequent exploration well in 1978. Two further appraisal and development wells were drilled in the 1990s. IHS Energy, an independent oil and gas consultancy, has estimated the field has reserves of 130 million barrels of oil. On the basis of this estimate, the Company anticipates it should be capable of producing approximately 60,000 barrels per day. The field is currently producing roughly 3,600 barrels per day of between 20 and 40 degree API crude oil. It is

understood from the data available that prospects similar to the Taq Taq structure could be present in the area covered by the MOU.

KPC is undertaking the studies, with the OGE providing all available data, plus logistical support and security. Fieldwork is expected to commence shortly and includes a field gravity survey, a field magnetic survey, geological field mapping, satellite data interpretation and regional studies. Negotiations to formalize the MOU into a Production Sharing Agreement are scheduled to commence before the end of the year.

Meanwhile, Heritage Middle East Limited (“Heritage Middle East”), a wholly-owned subsidiary, is focusing on other areas in Iraq. Negotiations continue with the Ministry of Oil in Baghdad to obtain MOUs to undertake exclusive detailed field studies and to prepare development plans over a number of oil fields. With the Iraqi approval of the new constitution in the October referendum, new hydrocarbon laws could be in place next year, enabling the Ministry of Oil to issue oil and gas licenses. As Heritage Middle East anticipates it will have completed certain field studies and development plans, it should be well-situated to be awarded licenses over these fields.

In Russia, Heritage continues to appraise a number of projects, focusing on those which have proven and probable reserves and the capability for early production and cash flow. The Company hopes to be able to announce a transaction within the next three months.

In Uganda, the Company recently acquired a 90 km infill 2D seismic program over the Kingfisher prospect on the shores of Lake Albert. The seismic data are currently being interpreted and following completion, Heritage is looking to drill the Kingfisher prospect from a location on the shore of Lake Albert in the first half of 2006.

Third Quarter Results

Petroleum and natural gas revenue in the third quarter, which was in line with the second quarter of 2005, was \$1,809,630 compared to \$2,483,908 in the same period last year. This decrease is a result of the periodic nature of condensate sales from the Bukha field, Oman. There was no condensate sale in Q3 2005, while one cargo sold in Q3 2004 generated revenue of \$1,719,324. Revenue from the Kouakouala field, Congo in the third quarter of 2005 was 151% higher than Q3 2004, as a result of four rather than three wells being on production and higher average commodity prices.

Heritage’s net 2005 condensate, liquid petroleum gas and crude oil production in the three-months ended September 30, 2005 averaged 513 bpd, 29% higher than the same quarter in the previous year. Overall, production in the nine-months ended September 30, 2005 was 12% higher than in the same period in the previous year. All of the production gains were generated from the Kouakouala field, Congo.

Net earnings in the three-month period ended September 30, 2005 were \$196,520 (Cdn\$230,064), compared with \$2,059,354 (Cdn\$2,614,721) in the same period last year. There was a net loss in the nine-months to September 30, 2005 of \$936,505 (Cdn\$1,096,357) compared to net earnings of \$28,125,264 (Cdn\$35,710,086) in the same period in 2004. Earnings in 2004 were boosted by the one-time sale of the overriding royalty for \$26,269,113.

Micael Gulbenkian, Chairman and CEO, said that “we are delighted with the advancements Heritage has been making and our developments in a number of areas that have the potential to transform Heritage. We look forward to making further announcements before the year-end.”

Heritage is an international oil and gas corporation with producing properties in the Republic of Congo and Sultanate of Oman, and exploration projects in the Republic of Uganda. Through its subsidiary KPC, the Company has entered into a MOU with the Government of the Autonomous Region of Kurdistan, Iraq. Heritage Middle East, which is focusing on Iraq, has established an office in Amman, Jordan, which it intends to re-locate to Baghdad when the security situation permits.

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

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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.

HERITAGE OIL CORPORATION

Consolidated Balance Sheets

September 30, 2005 (*Unaudited*) and December 31, 2004

(U.S. dollars)

	2005	2004
Assets		
Current assets:		
Cash and cash equivalents	\$ 16,198,591	\$ 16,235,523
Accounts receivable	898,963	4,640,802
Note receivable	–	4,280,161
Prepaid expenses	200,065	272,168
Inventories	162,534	94,483
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	17,460,153	25,523,137
Property and equipment	64,883,086	54,083,097
Deferred development costs	1,145,532	1,013,012
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	\$ 83,488,771	\$ 80,619,246
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 1,852,659	\$ 6,397,247
Current portion of long-term debt	124,007	–
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	1,976,666	6,397,247
Long-term debt	7,733,486	–
Asset retirement obligations	348,266	328,553
Shareholders' equity:		
Share capital and warrants	22,280,329	21,434,168
Contributed surplus	392,551	24,421
Retained earnings	50,757,473	52,434,857
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	73,430,353	73,893,446
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	\$ 83,488,771	\$ 80,619,246

HERITAGE OIL CORPORATION

Consolidated Statements of Operations and Retained Earnings

Three-months and nine-months ended September 30, 2005 and 2004 *(Unaudited)* (U.S. dollars)

	Three-months ended		Nine-months ended	
	2005	2004	2005	2004
Revenue:				
Petroleum and natural gas	\$ 1,809,630	2,483,908	\$ 4,989,630	4,955,567
Interest	73,189	251,257	325,895	387,215
Other	257,942	65,729	693,037	213,350
	2,140,761	2,800,894	6,008,562	5,556,132
Expenses:				
Operating	261,370	342,356	1,094,411	1,200,007
Royalties	258,633	103,073	638,762	262,481
General and administrative	1,078,985	434,759	2,597,849	1,697,355
Interest	132,656	–	358,699	–
Foreign exchange (gains) losses	(70,498)	(276,144)	1,231,770	80,830
Depletion, depreciation and accretion	283,095	137,496	1,023,576	459,308
	1,944,241	741,540	6,945,067	3,699,981
Earnings (loss) before the undernoted	196,520	2,059,354	(936,505)	1,856,151
Gain on sale of property and equipment	–	–	–	26,269,113
Net earnings (loss)	196,520	2,059,354	(936,505)	28,125,264
Retained earnings, beginning of period	50,675,206	50,136,399	52,434,857	24,028,812
Effect of change in accounting for:				
Asset retirement obligations	–	–	–	55,558
Stock-based compensation	–	–	–	(13,881)
Premium on redemption of Common Shares	(114,253)	–	(740,879)	–
Retained earnings, end of period	\$ 50,757,473	52,195,753	\$ 50,757,473	52,195,753
Net earnings (loss) per share:				
Basic	\$ 0.01	0.10	\$ (0.04)	1.33
Diluted	0.01	0.09	(0.04)	1.31

HERITAGE OIL CORPORATION

Consolidated Statements of Cash Flows

Three-months and nine-months ended September 30, 2005 and 2004 (Unaudited) (U.S. dollars)

	Three-months ended		Nine-months ended	
	2005	2004	2005	2004
Cash provided by (used in):				
Operating:				
Net earnings (loss)	\$ 196,520	2,059,354	\$ (936,505)	28,125,264
Items not involving cash:				
Gain on sale of property and equipment	–	–	–	(26,269,113)
Depletion, depreciation and accretion	283,095	137,496	1,023,576	459,308
Foreign exchange (gains) losses	(275,003)	(286,623)	474,165	100,043
Stock-based compensation	179,634	2,615	439,975	7,734
Change in non-cash working capital	303,662	(2,089,863)	(919,321)	(2,344,902)
	687,908	(177,021)	81,890	78,334
Financing:				
Shares issued for cash	472,820	157,162	909,654	536,958
Long-term debt	–	–	8,452,350	–
Redemption of Common Shares	(134,000)	–	(876,217)	–
Repayment of long-term debt	(25,573)	–	(77,197)	–
	313,247	157,162	8,408,590	536,958
Investing:				
Property and equipment expenditures	(3,400,271)	(4,738,953)	(11,803,852)	(17,799,884)
Proceeds on sale of property and equipment	–	–	–	16,400,000
Repayment of note receivable	–	4,000,000	4,210,538	4,000,000
Development expenditures	(3,331)	–	(132,520)	(51,781)
Acquisition	–	(195)	–	(195)
Change in non-cash working capital	(882,934)	10,112,646	190,247	1,353,622
	(4,286,536)	9,373,498	(7,535,587)	3,901,762
Foreign exchange gains (losses) on cash held in foreign currency	87,183	286,623	(991,825)	(100,043)
Increase (decrease) in cash and cash equivalents	(3,198,198)	9,640,262	(36,932)	4,417,011
Cash and cash equivalents, beginning of period	19,396,789	18,945,621	16,235,523	24,168,872
Cash and cash equivalents, end of period	\$16,198,591	28,585,883	\$16,198,591	28,585,883
Supplementary information:				
Interest received	\$ 76,332	99,458	\$ 351,883	235,371
Interest paid	\$ 132,656	–	\$ 358,699	–