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**Heritage Oil Plc
("Heritage" or the "Company")**

HERITAGE OIL PROVIDES AN ACTIVITY UPDATE FOR THE KURDISTAN REGION OF IRAQ

Heritage Oil Plc (LSE: HOIL), an independent upstream exploration and production company, provides an update on the work programme and development options for the Miran Block in the Kurdistan Region of Iraq (“Kurdistan”).

Highlights

- Rig secured to commence a multi-well exploration and appraisal drilling campaign on the Miran Block
- Miran West-3 well scheduled to spud in July and is estimated to take 160 days to drill and test
- It is planned to undertake a comprehensive testing programme
- 3D seismic programme progressing with the first batch of data being analysed
- 2D seismic programme to commence in the summer to define other potential prospects on the Block
- Discussions with the Kurdistan Regional Government (the “KRG”) continue regarding fast-track development of the gas

Drilling Programme

Heritage has signed a rig contract with DaQing International to supply the DQ037 2000HP rig to commence a multi-well exploration and appraisal drilling campaign on the Miran Block. The first well in this continuous drilling campaign will be the Miran West-3 well, which is an approximate 4 kilometre step out appraisal of the major Jurassic gas discovery made by the Miran West-2 well.

The Miran West-3 well, which is scheduled to spud in July, will take an estimated 160 days to drill and test and is targeting the flanks of the Jurassic structure, with the benefit of the current 3D seismic survey. The well will appraise the Upper and Lower Cretaceous reservoirs whilst drilling to its primary Jurassic objective, with an estimated total depth of approximately 3,800 metres. The well bore will be angled to increase the frequency of fracture penetration and orientated in the optimal direction for the interception of open

fractures. It is planned to undertake a comprehensive testing programme targeting numerous potential reservoir horizons.

On completion of this well the rig will move to drill the Miran West-4 appraisal well. A second rig is being sourced to drill the Miran East-1 exploration well in the fourth quarter of this year, at which point Heritage will have two rigs operating in country.

Seismic Acquisition

Heritage is currently acquiring 730 square kilometres of 3D seismic across the Miran Block to help define further appraisal drilling locations and fully exploit fracture networks. This is believed to be the largest ever 3D seismic programme undertaken to date, in Kurdistan. The data will be analysed in separate tranches to expedite understanding of the structures and the first batch of 3D seismic data, covering 180 square kilometres, is currently being processed.

In addition, 180 kilometres of new 2D seismic data will be acquired within the Block in the summer of 2011 to define other potential prospects.

Gas Monetisation

Discussions with the KRG over the fast-tracked phased development of the Miran Field have continued. The KRG has outlined their favoured development options for gas utilisation and the initial priority will be to satisfy local gas demand by supplying produced gas on commercial terms to local power stations and other end-users in the Sulymaniyah region in 2013. Early production of the gas will also result in early associated condensate and oil production. This will then be followed by the export of gas to Turkey/Europe and full production of the oil and condensate zones enabling full development of the field.

Tony Buckingham, CEO, commented:

“The signing of the multi-well rig contract and expansion of the seismic programmes demonstrates our commitment to exploring and developing the Miran Field. The initial discussions with the KRG have been very constructive and could lead to the fast-tracked development of the field, which has the potential to benefit our shareholders significantly, and contribute to the further development of the region as well as generate revenue to be shared by all peoples of Iraq.”

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Notes to Editors

- Heritage is listed on the Main Market of the London Stock Exchange and is a constituent of the FTSE 250 Index. The trading symbol is HOIL. Heritage has a further listing on the Toronto Stock Exchange (TSX: HOC)
- Heritage is an independent upstream exploration and production company engaged in the exploration for, and the development, production and acquisition of, oil and gas in its core areas of Africa, the Middle East and Russia
- Heritage has a producing property in Russia and exploration projects in the Kurdistan Region of Iraq, the Democratic Republic of Congo, Malta, Pakistan, Tanzania and Mali
- Heritage Energy Middle East, a wholly-owned subsidiary of Heritage, is operator and holds a 75% interest in the Miran Licence, with Genel Energy International Limited holding 25%. Back-in rights exist which, if exercised fully, could result in a minimum holding of 56.25%
- Management estimates in-place volumes for the Miran West structure to have a P90-P50 range of 6.8-9.1 TCF, with an upside P10 potential of 12.3 TCF of gas. Miran East has an additional estimated P90-P50 gas in-place range of 0.6-0.9 TCF with a P10 upside of 1.3 TCF
- All dollars are US\$ unless otherwise stated
- For further information please refer to our website, www.heritageoilplc.com

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