



**11 December 2008**

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

**HERITAGE OIL DISCOVERS OIL IN KINGFISHER-3  
WELL IN BLOCK 3A, UGANDA**

Heritage Oil Limited (LSE: HOIL), an independent upstream exploration and production company, announces the discovery of oil at the Kingfisher-3 well, Block 3A, Uganda. The Kingfisher field is now considered, by management, to be the largest oil discovery, to date, in Sub-Saharan East Africa. The drilling of Kingfisher-3 marks the end of appraisal drilling on the field, as drilling moves into the development phase.

**Highlights**

- Kingfisher-3 well encountered oil in all three reservoir intervals with a gross hydrocarbon bearing interval of 110 metres and net oil pay of up to 40 metres
- South-west part of the field is structurally higher than expected, which extends the field boundaries
- Increased field size will result in an upgrade to the Kingfisher field reserves
- The Kingfisher field is considered by management to be the largest oil discovery, to date, in Sub-Saharan East Africa

**Drilling Activity – Block 3A, Uganda**

Kingfisher-3 was drilled to evaluate the south-west portion of the Kingfisher structure and was drilled down dip on the flank of the structure. Most encouragingly, the well encountered oil in all three Kingfisher reservoir intervals, over a gross hydrocarbon bearing interval of 110 metres with net pay of up to 40 metres, based on a preliminary evaluation of wireline log data. Based on pressure data, the three intervals appear to be in communication with the three reservoir intervals previously production tested in the Kingfisher-1A and Kingfisher-2 wells at 9,773 bopd and 14,364 bopd respectively.

In addition to finding oil, the well also indicated that this part of the field is approximately 100 metres structurally higher than expected. The more extensive oil accumulation and the greater structural elevation of the reservoir in the south-west part of the field gives increased confidence in a reserve upgrade for Kingfisher following completion of the forthcoming sidetrack, Kingfisher-3A. It is planned to suspend the Kingfisher-3A development well as a third producer, in addition to the previously drilled and suspended Kingfisher-1A and Kingfisher-2 wells.

It is planned to drill the Kingfisher-3A sidetrack to an anticipated measured depth of approximately 2,860 metres, which is expected to be completed by late January or early February 2009.

## **Drilling Activity – Block 1, Uganda**

The Buffalo-1 exploration well is operating at target depth as planned and is being logged. A further announcement will be made following completion of the logging programme.

### **Planned Drilling Activity in 2008**

<b>Country</b>	<b>Block</b>	<b>Prospect</b>	<b>Operated Interest</b>	<b>Estimated Spud Date/Status</b>
Uganda	Block 1	Buffalo	50%	Ongoing
Uganda	Block 1	Giraffe	50%	December 2008
Uganda	Block 3A	Kingfisher-3/3A	50%	Being drilled
Kurdistan Region of Iraq	Miran	Miran West-1	100%	December 2008

### **Tony Buckingham, Chief Executive Officer, commented:**

*“The discovery of oil in Kingfisher-3, at a structurally higher elevation than anticipated, further indicates the outstanding nature of the Kingfisher discovery. With the drilling of the Kingfisher-3A sidetrack and a further two wells planned to spud before the year-end in Uganda and Kurdistan this continues to be an exciting time for Heritage and its shareholders.”*

Heritage is the Operator of Block 3A and Block 1 in Uganda with a 50% equity interest in the licences with Tullow Oil Plc holding the remaining 50% interest.

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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 producing properties in Oman and Russia and exploration projects in Uganda, the Kurdistan Region of Iraq, the Democratic Republic of Congo, Malta, Pakistan, Tanzania and Mali.

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### **FORWARD-LOOKING INFORMATION:**

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