

4 July 2008

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

**Heritage Oil Limited - Grant of Awards under the LTIP  
Interests of Executive Directors and Persons Discharging Managerial Responsibilities**

Heritage Oil Limited, an independent upstream exploration and production company, announces that following shareholder approval of the Long Term Incentive Plan ("LTIP") at the recent Annual General Meeting held on 19 June 2008, the Board of Directors on the recommendation of the Remuneration Committee has granted the following conditional nil cost ordinary share awards to the Executive Directors and certain senior members of staff, including Persons Discharging Management Responsibility ("PDMR").

In accordance with the rules of the LTIP, the following awards were granted on 19 June 2008 at a price of 345 pence per ordinary share, being the closing price on that day:

Executive Directors

No. of ordinary shares subject to LTIP

Anthony Buckingham	2,347,826
Paul Atherton	1,159,420

The actual number of shares that will be finally awarded out of the maximum numbers stated above either under the LTIP, or the alternative cash settlement at the Company's option, is dependent upon the achievement of performance criteria measured over a vesting period of three years for each award, including those set out below and the continued employment of the Executive Director:

1. The Company's relative total shareholder return (capital gain plus dividends) ("TSR") versus a comparator group of international oil companies. None of the awards vest until comparative performance is close to the upper quartile level of the comparator group. This has been designed to only provide reward for exceptional performance.
2. A requirement for the Company's share price to increase by 20% between the date of award and the end of the vesting period.
3. An additional holding period of one year following the vesting of the awards.

PDMR

No. of ordinary shares subject to LTIP

Brian Smith	195,651
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The actual number of shares that will be finally awarded out of the maximum numbers stated above either under the LTIP, or the alternative cash settlement at the Company's option, is dependent upon the achievement of performance criteria measured over a vesting period of three years for each award, including those set out below and the continued employment of the PDMR:

1. The Company's relative TSR versus the same comparator group for the Executive Directors. The award will vest in full provided the TSR is equal to or greater than that of the median performing company in the comparator group.

- ends -

**For further information please contact:**

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