



25 January 2012

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

HERITAGE OIL AWARDED FURTHER ACREAGE IN TANZANIA

Heritage Oil Plc (LSE: HOIL), an independent upstream exploration and production company, announces that it has been awarded a further Production Sharing Agreement ("PSA") in Tanzania. Heritage is the operator with 100% interest.

Highlights

- The Kyela PSA, wholly located within Tanzanian territory, has an area of 1,934 square kilometres and covers the northern onshore area of the Lake Nyasa Basin
- Heritage has been awarded 100% interest and is the operator
- Gravity data and seismic data from the adjacent Lake Nyasa suggest the presence of a thick sedimentary section with the potential to generate oil
- The work programme will commence shortly with the acquisition of a c.1,500 square kilometre high resolution gravity survey followed by the acquisition of 2D seismic

The Kyela PSA covers the entire northern onshore area of the Lake Nyasa (Livingston) Basin that lies within Tanzanian territory. The block covers an area of 1,934 square kilometres and has never previously been targeted for hydrocarbon exploration. Gravity data over the area suggests the presence of a sedimentary section of sufficient thickness to allow for the generation of oil. Historical seismic data from the adjacent Lake Nyasa supports this interpretation. Whilst this area is a frontier exploration play it potentially shares certain geological similarities with the prolific Albert Basin of Uganda and Heritage's recently awarded Rukwa PSA in Tanzania.

The work programme will commence shortly with the acquisition of a c.1,500 square kilometre high resolution gravity survey. This is designed to determine the sediment thickness distribution and to delineate structural trends that could be associated with hydrocarbon traps. Based upon the results of this survey, a 2D reconnaissance seismic programme will be acquired.

In the event of an oil discovery the Kyela PSA lies approximately 125 kilometres from the railhead at Mbeya and economic scoping shows the commercial viability of either rail export to Dar es Salaam or export by pipeline depending on exploration success.

Tony Buckingham, CEO, commented:

“Following on from the award of the Rukwa PSA last year we are pleased to have been awarded further acreage in a prospective East African rift basin in Tanzania which could share geological similarities to the Albert Basin of Uganda. Our expertise, both technical and operational, on rift basins will provide Heritage with a key advantage in assessing the prospectivity of both new awards. We look forward to commencing the work programme in Tanzania over the next few months.”

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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, exploration projects in the Kurdistan Region of Iraq, the Democratic Republic of Congo, Malta, Pakistan, Tanzania and Mali and an investment in Libya.
- For further information please refer to our website, **www.heritageoilplc.com**

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