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IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE
A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION**

30 April 2014

**RECOMMENDED CASH OFFER
for
HERITAGE OIL PLC
by
ENERGY INVESTMENTS GLOBAL LTD
a wholly owned subsidiary of
AL MIRQAB CAPITAL SPC
to be effected
by means of a Scheme of Arrangement
under the Companies (Jersey) Law 1991**

Energy Investments Global Ltd (**Bidco**) is pleased to announce that it has reached agreement with the Independent Directors of Heritage Oil Plc (**Heritage** or the **Company**) on the terms of a recommended cash offer through which the entire issued and to be issued ordinary share capital of Heritage (other than the Retained Shares and the Excluded Shares) will be acquired by Bidco, a wholly owned subsidiary of Al Mirqab Capital SPC (together or individually as the context requires, Al Mirqab).

Highlights of the Offer

- Under the terms of the Offer, each Scheme Shareholder will be entitled to receive 320 pence in cash per Scheme Share (the **Offer Price**).
- The Offer values the issued and to be issued ordinary share capital of Heritage at approximately £924 million.
- The Offer Price represents a premium of approximately:
 - 25.2 per cent. to the Closing Price of 255.6 pence per Ordinary Share on 29 April 2014 (being the last Business Day prior to the Announcement Date);
 - 35.5 per cent. to the volume weighted average price of 236.2 pence per Ordinary Share for the three month period between 30 January 2014 and 29 April 2014 (being the last Business Day prior to the Announcement Date); and
 - 115.1 per cent. to the Closing Price of 148.8 pence per Ordinary Share on 31 December 2013.
- It is intended that the Offer will be implemented by way of a Court sanctioned scheme of arrangement under Article 125 of the Jersey Companies Law although Al Mirqab reserves the right to proceed by way of a Takeover Offer, should it wish to do so and with Panel consent.
- Subject to applicable law and regulation, the Board of Heritage will procure the mandatory exchange (redemption) of all outstanding Exchangeable Shares for Ordinary Shares in

accordance with their terms on written notice at a date to be determined, but which is expected to be prior to the date on which the Scheme Document is dispatched to Heritage Shareholders. The Ordinary Shares issued to holders of Exchangeable Shares pursuant to such exchange would be subject to the Offer and acquired pursuant to the terms of the Scheme on the Effective Date. The Offer Price represents a premium of approximately 25.4 per cent. to the closing price per Exchangeable Share of C\$4.71 on the TSX on 29 April 2014, being the last Business Day prior to the Announcement Date using an exchange rate of £0.5420 to C\$1.00.

- Al Mirqab and Anthony Buckingham have entered into a set of agreements which document how the parties intend to work together following completion of the Offer (together, the **Buckingham Arrangements**). Anthony Buckingham is Heritage's largest shareholder, having, as at 29 April 2014, being the last Business Day before the Announcement Date, an interest in approximately 34 per cent. of the issued ordinary share capital of Heritage. As part of such arrangements, Anthony Buckingham has agreed to:
 - retain a 20 per cent. interest in Heritage for at least five years post the Effective Date (and will transfer his remaining interest under the terms of the Offer, being approximately 14 per cent. of the issued ordinary share capital of Heritage); and
 - serve as an adviser to Heritage on an exclusive basis for a minimum of five years and have the right to appoint one director out of seven to the Board of Heritage.

As a result of these arrangements, Anthony Buckingham and Albion are deemed to be acting in concert with Al Mirqab and are not considered to be independent for the purposes of the City Code. Accordingly, neither Anthony Buckingham nor Albion will be entitled to vote on any resolutions at the Court Meeting or Independent Shareholders' Meeting.

- The Buckingham Arrangements are subject to the approval of Independent Shareholders representing a majority of the votes cast on a poll (either in person or by proxy) at the Independent Shareholders' Meeting and such approval is a Condition to the Scheme becoming effective.
- In addition to the agreements set out in the Buckingham Agreements, Anthony Buckingham has irrevocably committed to Al Mirqab that he will support the Offer and not accept any competing offer made prior to 17.00 (London time) on 29 September 2014.
- The Board of Heritage has constituted an independent committee consisting of the Directors of Heritage, excluding Anthony Buckingham and Paul Atherton (**Independent Directors**), to evaluate the Offer.
- The Independent Directors, who have been so advised by J.P. Morgan Cazenove, consider the terms of the Offer and of the Buckingham Arrangements to be fair and reasonable. In providing its advice, J.P. Morgan Cazenove has taken into account the commercial assessments of the Independent Directors.
- The Independent Directors intend to recommend unanimously that Heritage Shareholders vote in favour of the resolutions relating to the Offer at the Court Meeting, the General Meeting and the Independent Shareholders' Meeting as all of the Independent Directors and Paul Atherton have undertaken to do or procure in respect of their own beneficial (or otherwise controlled) holdings of 6,170,000 Ordinary Shares and 301,070 Exchangeable Shares, which in aggregate represent approximately 2.3 per cent. of Heritage's issued

ordinary share capital as at 29 April 2014 (being the last Business Day before the Announcement Date).

- The Scheme Document containing further information about the Offer and notice of the Court Meeting, the General Meeting and the Independent Shareholders' Meeting, together with Forms of Proxy, will be posted to Heritage Shareholders as soon as practical and unless the Panel otherwise consents, within 28 days of the Announcement Date.
- It is currently expected that the Scheme will become effective during the third quarter of 2014. An expected timetable of principal events will be included in the Scheme Document.
- Al Mirqab is an investment vehicle which is indirectly and beneficially owned by His Excellency Sheikh Hamad Bin Jassim Bin Jabor Al Thani and his family in a private capacity. The acquisition of Heritage provides Al Mirqab with access to a high growth, producing asset base in Nigeria and a diverse international exploration portfolio. The cash consideration payable to Scheme Shareholders pursuant to the Offer will be funded from Al Mirqab's cash resources.
- Bidco is a newly incorporated company formed for the purpose of the Offer and wholly owned by Al Mirqab. Bidco is incorporated under the BVI Business Companies Act (2004) and has not traded since incorporation, nor has it entered into any obligations, other than in connection with the Offer and the financing of the Offer.
- Heritage has also today published its results and annual report for the year ended 31 December 2013.
- Commenting on today's announcement, Michael Hibberd, Chairman of the Board and of the Independent Committee said:

“Heritage has built a diversified portfolio over the past two years through the acquisition of a major interest in OML 30 in Nigeria, disposal of Miran in Kurdistan and entry into new exploration licences in Papua New Guinea. The integration of OML 30 has provided the Company with strong cash flows to support its exploration portfolio and increased value to Heritage Shareholders.

However, the Independent Committee of Heritage's Board believes that the Offer represents an attractive and certain value for Heritage Shareholders, having considered the risks, rewards and timescales associated with the realisation of value from Heritage's portfolio of assets. The Independent Committee therefore intends to recommend the Offer to Heritage Shareholders.”

This summary should be read in conjunction with, and is subject to, the following full announcement and the Appendices. The Offer will be subject to the Conditions and other terms set out in Appendix 1 to the full announcement and to the full terms and conditions which will be set out in the Scheme Document. Appendix 2 to the full announcement contains bases and sources of certain information contained in this announcement. Details of irrevocable undertakings received by Al Mirqab are set out in Appendix 3 to the full announcement. Certain terms used in this announcement are defined in Appendix 4 to the full announcement.

Unless otherwise defined in this announcement, capitalised terms used but not defined have the meanings set out in Appendix 4. Any reference to the “issued and to be issued ordinary share capital of Heritage” assumes the exchange of all of the outstanding Exchangeable Shares, in accordance with their terms, for Ordinary Shares, and the issuance of any Ordinary Shares which may be issued on or after the Announcement Date on vesting of awards under the Heritage Share Scheme. Any reference to the “issued

ordinary share capital of Heritage” assumes the exchange of all of the outstanding Exchangeable Shares, in accordance with their terms, for Ordinary Shares.

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This announcement is not intended to and does not constitute or form part of any offer to sell or subscribe for or any invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise. The Offer will be made solely pursuant to the terms of the Scheme Document or, if applicable, the Offer Document, which will contain the full terms and conditions of the Offer, including details of how to vote in respect of the Offer. Any decision in respect of, or other response to, the Offer should be made only on the basis of the information contained in the Scheme Document or, if applicable, the Offer Document.

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom and Jersey may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom and Jersey should inform themselves about, and observe, any applicable requirements. In particular the ability of persons who are not resident in the United Kingdom or Jersey to vote

their Ordinary Shares at the General Meeting or the Independent Shareholders' Meeting or with respect to the Scheme at the Court Meeting, or to execute and deliver Forms of Proxy appointing another to vote at a Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. This announcement has been prepared for the purpose of complying with the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom or Jersey.

Copies of this announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. If the Offer is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

Notice to US Holders of Heritage Ordinary Shares: US Holders should note that the Offer relates to the shares of a Jersey company and is proposed to be implemented by means of a scheme of arrangement provided for under Jersey company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Offer is subject to the disclosure requirements and practices applicable in Jersey to schemes of arrangement which differ from the disclosure requirements of United States tender offer and proxy solicitation rules. If in the future, Al Mirqab exercises the right to implement the Offer by way of a takeover offer and determines to extend the offer into the United States, the Offer will be made in compliance with applicable United States laws and regulations. Financial information included in this announcement and the Scheme Document has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom and/or Jersey that may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The receipt of cash pursuant to the Offer by a US Holder as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each Heritage Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Offer applicable to him or her.

It may be difficult for US Holders to enforce their rights and claims arising out of the US federal securities laws, since Heritage and Al Mirqab are located in countries other than the US, and some or all of their officers and directors may be residents of countries other than the US. US Holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, Al Mirqab or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Ordinary Shares outside of the US, other than pursuant to the Offer, until the date on which the Offer and/or Scheme becomes effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange website at <http://www.londonstockexchange.com/prices-and-markets/markets/prices.htm>.

Heritage and Heritage Oil Corporation are reporting issuers in the Canadian provinces of British Columbia, Alberta and Ontario. However, Heritage has disclosed publicly that it is a “designated foreign issuer” within the meaning of National Instrument 71-102 – Continuous Disclosure and Other Exemptions Related to Foreign Issuers of the Canadian Securities Administrators and Heritage Oil Corporation has received an exemption from certain continuous disclosure requirements from the applicable Canadian securities regulators provided that Heritage inter alia (i) sends concurrently to all registered and beneficial holders of Exchangeable Shares all disclosure materials that are sent to the holders of Ordinary Shares, in the manner and at the time required by the UK Rules and the requirements of the LSE and UKLA; (ii) explains the reason the mailed material relates solely to Heritage; (iii) indicates that the Exchangeable Shares are the economic equivalent to Ordinary Shares; and (iv) describes the voting rights associated with the Exchangeable Shares. Accordingly, although Heritage and Heritage Oil Corporation are reporting issuers in the aforementioned jurisdictions, this document has not been prepared in accordance with disclosure requirements applicable in Canada. Additionally, holders of Exchangeable Shares in Canada should inform themselves of the rights and conditions attached to each Exchangeable Share.

Deutsche Bank AG is authorised under German Banking Law (competent authority: BaFin - Federal Financial Supervisory Authority) and authorised and subject to limited regulation by the Financial Conduct Authority. Deutsche Bank is acting as financial adviser to Al Mirqab and no one else in connection with the contents of this announcement and will not be responsible to anyone other than Al Mirqab for providing the protections afforded to its clients or for providing advice in connection with the contents of this announcement or any matter referred to herein.

QInvest LLC is authorised and regulated in Qatar by the QFCRA. QInvest is acting as financial adviser to Al Mirqab and no one else in connection with the contents of this announcement and will not be responsible to anyone other than Al Mirqab for providing the protections afforded to its clients or for providing advice in connection with the contents of this announcement or any matter referred to herein.

J.P. Morgan Limited is authorised and regulated in the United Kingdom by the FCA. J.P. Morgan Securities plc is authorised in the United Kingdom by the PRA and regulated by the FCA and the PRA. J.P. Morgan Limited and J.P. Morgan Securities plc conduct their respective UK investment banking business as J.P. Morgan Cazenove. J.P. Morgan Limited and J.P. Morgan Securities plc are acting, respectively, as sole financial adviser and broker exclusively for Heritage and no one else in connection with the matters set out in this announcement and will not regard any other person as their client in relation to the matters set out in this announcement and will not be responsible to anyone other than Heritage for providing the protections afforded to clients of J.P. Morgan Limited or J.P. Morgan Securities plc, nor for providing advice in relation to any matter referred to herein.

Provision of personal information to Bidco

Please be aware that addresses, electronic addresses and certain other information provided by Heritage Shareholders, persons with information rights and other relevant persons in connection with the receipt of communications from Heritage may be provided to Bidco during the offer period as required under Section 4 of Appendix 4 of the Code.

Cautionary note regarding forward-looking statements

This announcement contains certain forward-looking statements with respect to the financial condition, results of operations and business of Heritage and Al Mirqab and certain plans and objectives of Al Mirqab with respect thereto. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "hope", "aims", "continue", "will", "may", "should", "would", "could", or other words of similar meaning. These statements are based on assumptions and assessments made by Heritage and/or Al Mirqab in light of their experience and their perception of historical trends, current conditions, future developments and other factors they believe appropriate. By their nature,

forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. Neither Heritage nor Al Mirqab assumes any obligation to update or correct the information contained in this document (whether as a result of new information, future events or otherwise), except as required by applicable law.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions.

Dealing and Opening Position Disclosure requirements

Under Rule 8.3(a) of the City Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company (which for the purposes of the Offer includes both the Ordinary Shares and the Exchangeable Shares) or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the City Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in

issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

A copy of this announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Heritage's website at www.heritageoilplc.com by no later than 12 noon (London time) on the business day following this announcement. For the avoidance of doubt, the contents of the above website are not incorporated and do not form part of this announcement.

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1. INTRODUCTION

Energy Investments Global Ltd (**Bidco**) is pleased to announce that it has reached agreement with the Independent Directors of Heritage Oil Plc (**Heritage** or the **Company**) on the terms of a recommended cash offer through which the entire issued and to be issued ordinary share capital of Heritage (other than the Retained Shares and the Excluded Shares) will be acquired by Bidco, a wholly owned subsidiary of Al Mirqab Capital SPC (together or individually as the context requires, **Al Mirqab**).

2. THE OFFER

It is intended that the Offer will be implemented by way of a Court-sanctioned scheme of arrangement under Article 125 of the Jersey Companies Law. The purpose of the Scheme is to enable Al Mirqab to acquire the whole of the issued and to be issued ordinary share capital of Heritage (other than the Retained Shares and the Excluded Shares). Under the terms of the Scheme, which will be subject to the Conditions and other terms set out in this announcement and to further terms to be set out in the Scheme Document, Scheme Shareholders will be entitled to receive:

- **for each Ordinary Share: 320 pence in cash**

The Offer values the issued ordinary share capital of Heritage at approximately £924 million.

The Offer Price represents a premium of approximately:

- 25.2 per cent. to the Closing Price of 255.6 pence per Ordinary Share on 29 April 2014 (being the last Business Day prior to the Announcement Date);
- 35.5 per cent. to the volume weighted average price of 236.2 pence per Ordinary Share for the three month period between 30 January 2014 and 29 April 2014 (being the last Business Day prior to the Announcement Date); and
- 115.1 per cent. to the Closing Price of 148.8 pence per Ordinary Share on 31 December 2013.

3. **BACKGROUND TO AND REASONS FOR THE OFFER**

Al Mirqab's philosophy is to invest prudently in quality assets and management teams whom it believes can deliver compelling long term returns. Al Mirqab considers an acquisition of Heritage to be consistent with this philosophy.

The acquisition of Heritage is also a means to access a high growth, producing asset base in Nigeria and a diverse international exploration portfolio. Al Mirqab has very high regard for the Heritage management team and their track record of value creation through exploration and acquisitions, leading to significant returns for shareholders. The acquisition of Heritage provides Al Mirqab with a platform to develop and expand Heritage's existing portfolio of production and exploration assets through the acceleration of the existing exploration and development programmes, together with the acquisition or participation in future licensing opportunities.

Al Mirqab believes that the Offer provides an opportunity to continue the successful development of Heritage's business under Al Mirqab's long term, committed and supportive equity ownership.

4. **BUCKINGHAM ARRANGEMENTS**

Anthony Buckingham is Heritage's largest shareholder, having, as at 29 April 2014, being the last Business Day prior to the Announcement Date, an interest in approximately 34 per cent. of the issued ordinary share capital of Heritage. Al Mirqab believes that Anthony Buckingham's leadership has been critical to Heritage's development and success. Accordingly, Al Mirqab, Anthony Buckingham and Albion (a company beneficially owned and controlled by Anthony Buckingham and the registered holder of the Ordinary Shares beneficially owned by Anthony Buckingham) have entered into a set of agreements which document how the parties intend to work together following completion of the Offer (together, the **Buckingham Arrangements**). As part of such arrangements, Anthony Buckingham will agree to:

- retain a 20 per cent. interest in Heritage for at least five years post the Effective Date (and will transfer his remaining interest under the terms of the Offer, being approximately 14 per cent. of the issued ordinary share capital of Heritage); and
- serve as an adviser to Heritage on an exclusive basis for a minimum of five years and have the right to appoint one director out of seven to the Board of Heritage.

The Buckingham Arrangements are set out in:

a) *Shareholders' Agreement*

On 29 April 2014, Al Mirqab and Albion entered into a shareholders' agreement (to take effect subject to completion of the Offer) regulating their relationship as shareholders of Heritage following completion of the Offer (the **Shareholders' Agreement**). The Shareholders' Agreement contains provisions:

- that the Board will comprise of seven directors of whom four will be appointed by Al Mirqab, two will be independent non-executives and one will be appointed by Albion;
- that the parties shall exercise all voting rights to ensure that certain reserved matters do not occur without the prior unanimous consent

of the parties. The reserved matters include changing the nature of the Company's business and winding up Heritage; and

- restricting the transfer of Ordinary Shares including a restriction on transfer by Albion of any of its Ordinary Shares or any interest in any of its Ordinary Shares for a period of five (5) years from the Effective Date other than, *inter alia*, to certain permitted transferees or following a change of control of Al Mirqab or pursuant to tag along and drag along rights.

b) *Advisory Agreement*

Al Mirqab and Anthony Buckingham have agreed the form of an advisory agreement (the **Advisory Agreement**) to be entered into by Anthony Buckingham and Heritage following completion of the Offer. The Advisory Agreement shall be for an initial fixed period of five (5) years and shall continue thereafter unless and until either party serves on the other at least six (6) months prior written notice of termination.

Under the Advisory Agreement, Anthony Buckingham shall provide to Heritage strategic advice and assistance to the Board in pursuing the Company's objectives of continuing and expanding the business of upstream oil and gas exploration, development and production activities. Heritage shall pay a fixed fee to Anthony Buckingham at a rate of £166,667 per calendar month plus expenses. Anthony Buckingham will also covenant to Heritage that during the term of the Advisory Agreement he shall not be engaged in any capacity in any business competing with Heritage or be concerned or interested directly or indirectly in more than thirty per cent. of any business or entity competing with Heritage.

Anthony Buckingham is the beneficial owner of the share capital of Albion.

5. **RECOMMENDATION**

The Independent Directors, who have been so advised by J.P. Morgan Cazenove, consider the terms of the Offer and the Buckingham Arrangements to be fair and reasonable. In providing its advice, J.P. Morgan Cazenove has taken into account the commercial assessments of the Independent Directors.

The Independent Directors intend to recommend unanimously that Heritage Shareholders vote in favour of the resolutions relating to the Offer at the Court Meeting, the General Meeting and the Independent Shareholders' Meeting as all of the Independent Directors and Paul Atherton have irrevocably undertaken to do or procure in respect of their own beneficial (or otherwise controlled) holdings of 6,170,000 Ordinary Shares and 301,070 Exchangeable Shares, which in aggregate represent approximately 2.3 per cent. of Heritage's issued ordinary share capital as at 29 April 2014 (being the last Business Day before the Announcement Date).

6. **BACKGROUND TO AND REASONS FOR THE RECOMMENDATION**

Heritage has a proven track record of identifying, developing and monetising oil and gas assets internationally. The Company's long standing management team has been able to execute its strategy through a well balanced team with technical, corporate and finance skills, an appreciation of risks associated with the political backdrop and security position in

the jurisdictions in which Heritage operates and seeks to operate, and a highly effective network of industry, political and institutional relationships.

The Company demonstrated success with first mover advantage in territories such as Uganda and Kurdistan and has raised approximately \$2 billion from asset sales since 2000. In 2010, the Company paid shareholders a special dividend of 100 pence per share.

In November 2012, in response to changing market dynamics, Heritage adapted its strategy to develop a balanced portfolio of production and exploration assets through the acquisition of a major interest in OML 30 in Nigeria. OML 30 has added material revenues and cash flow to Heritage and allowed the Company to refine its capital structure with a \$550 million reserves based lending facility entered into in June 2013. During 2013 Heritage's net share of revenue from its interest in OML 30 was \$431.9 million.

Since the acquisition of a major interest in OML 30, Heritage, through its local Nigerian company Shoreline Natural Resources Limited (**Shoreline**) and close relationship with the Nigerian Petroleum Development Company as operator, has actively addressed an extensive maintenance backlog through a programme of refurbishment and replacement. In addition Heritage and Shoreline have proactively implemented community relations programmes to restart production in previously shut-in fields. The combination of these efforts has resulted in increased gross production, reaching over 50,000 bopd during the first quarter of 2014.

In addition to its production assets in Nigeria and Russia, Heritage has expanded its exploration portfolio by farming into four licences in Papua New Guinea, with plans to drill exploration prospects in PPL 319, PPL 337 in Papua New Guinea and Rukwa and Kyela in Tanzania in 2014 - 2015.

While the Independent Directors believe in the future growth potential of the Company in the long term, having considered the Offer Price in light of the risks, particularly around the operational challenges to achieving targeted production growth, rewards and timescales associated with the realisation of value from Heritage's assets, they consider that the Offer Price provides Heritage Shareholders with an attractive and certain value.

Accordingly, the Independent Directors have concluded that the Offer is fair and reasonable and intend to recommend unanimously that Heritage Shareholders vote in favour of the resolutions relating to the Offer at the Court Meeting, the General Meeting and the Independent Shareholders' Meeting.

7. IRREVOCABLE UNDERTAKINGS

Anthony Buckingham and Albion (a company beneficially owned and controlled by Anthony Buckingham) have irrevocably undertaken to vote in favour of the resolutions at the General Meeting (or in the event that the Offer is implemented by way of a Takeover Offer, to accept such Takeover Offer) and not to accept any competing offer. Anthony Buckingham and Albion have provided an irrevocable undertaking in respect of in aggregate 94,669,850 Ordinary Shares, which represent approximately 34 per cent. of Heritage's issued ordinary share capital as at 29 April 2014 (being the last Business Day before the Announcement Date). The undertaking from Anthony Buckingham and Albion will remain binding if a higher competing offer for the entire issued and to be issued ordinary share capital of Heritage is made until 17.00 (London Time) on the Long Stop Date. Further details regarding this undertaking are set out in Appendix 3.

Notwithstanding the lapse of Anthony Buckingham and Albion's undertakings in the circumstances set out in Appendix 3, their commitment not to accept any other offer in respect of Anthony Buckingham's beneficial interest in Ordinary Shares shall continue in respect of any competing offer made prior to 17.00 (London time) on 29 September 2014.

In addition, all of the Independent Directors and Paul Atherton have irrevocably undertaken to vote or procure a vote in favour of the resolutions relating to the Scheme at the Court Meeting and the General Meeting and the Independent Shareholder Resolution at the Independent Shareholders' Meeting in respect of their own beneficial (or otherwise controlled) holdings of 6,170,000 Ordinary Shares and 301,070 Exchangeable Shares, which in aggregate represent approximately 2.3 per cent. of Heritage's issued ordinary share capital as at 29 April 2014 (being the last Business Day before the Announcement Date). The undertakings will remain binding if a higher competing offer for the entire issued and to be issued ordinary share capital of Heritage is made. Further details regarding these undertakings are set out in Appendix 3.

8. INFORMATION RELATING TO AL MIRQAB

Al Mirqab is an investment vehicle which is indirectly and beneficially owned by His Excellency Sheikh Hamad Bin Jassim Bin Jabor Al Thani and his family in a private capacity.

His Excellency Sheikh Hamad Bin Jassim Bin Jabor Al Thani has significant investments across the world, in particular in Qatar, Europe and the United States of America. Investments are focused in the banking and finance, real estate, hospitality, industrials, energy, consumer and retail sectors.

9. INFORMATION RELATING TO HERITAGE

Heritage was incorporated on 6 February 2008 in Jersey under the Jersey Companies Law, as a company limited by shares with the name Heritage Oil Limited and registered number 99922. The Company changed its name to Heritage Oil Plc at an annual meeting of shareholders held on 18 June 2009.

Heritage has a Premium Listing on the Official List of the UK Listing Authority and is admitted to trading on the London Stock Exchange. It is a constituent of the FTSE 250 Index. The trading symbol is "HOIL". The Company also has Exchangeable Shares listed on the Toronto Stock Exchange (symbol "HOC") and the LSE (symbol "HOX").

Heritage is an independent upstream exploration and production company engaged in the exploration for, and the development, production and acquisition of, oil and gas internationally.

Heritage has producing assets in Nigeria and Russia and exploration assets in Tanzania, Papua New Guinea, Malta, Libya and Pakistan.

10. HERITAGE RESULTS ANNOUNCEMENT

Heritage announced today its results for the twelve months ended 31 December 2013. All figures are in US dollars unless otherwise stated. A list of highlights is provided below:

- Production from OML 30, Nigeria, increased during the year and record gross production since acquisition, of over 50,000 bopd has been achieved;
- Maintenance work over OML 30 is progressing as planned;

- 2013 average production from the interest in OML 30, Nigeria, net to Heritage of 8,919 bopd and net production from Russia of 577 bopd;
- Total revenues, net to Heritage, for 2013 of \$431.9 million;
- Profit after tax from continuing operations of \$100.4 million, up 104% year-on-year;
- Heritage's cash at 31 December 2013 of \$183.8 million;
- 2014 production guidance from OML 30 and the Zapadno Chumpasskoye field, net to Heritage, is estimated in the range of between 14,500-18,000 bopd; and
- 2014 expected year end exit gross production rate from OML 30 between 65,000 and 70,000 bopd.

A copy of the announcement of these results and of the annual report is available on Heritage's website at www.heritageoilplc.com.

11. **FINANCING OF THE OFFER**

The cash consideration payable to Scheme Shareholders pursuant to the Offer will be funded from Al Mirqab's cash resources.

Deutsche Bank, financial adviser to Al Mirqab, is satisfied that sufficient resources are available to Bidco to satisfy in full the cash consideration payable to Scheme Shareholders pursuant to the Offer.

12. **MANAGEMENT, EMPLOYEES AND LOCATION**

Al Mirqab attaches great importance to the skills, knowledge and expertise of Heritage's existing management and employees. Al Mirqab has given assurances to the Heritage Directors that, if the Offer becomes or is declared unconditional in all respects, the existing employment rights of the employees of Heritage will be safeguarded.

Following completion of the Offer, Al Mirqab will conduct a review of the Board, management and employee base to ensure this matches the ongoing requirements of the business. The composition of the Board will be subject to the requirements of the Shareholders' Agreement which currently provides that the Board will comprise of seven directors of whom four will be appointed by Al Mirqab, two will be independent non-executives and one will be appointed by Albion.

Al Mirqab has no intention to change the major locations of the Heritage Group's places of business or to redeploy the Heritage Group's fixed assets.

13. **EXCHANGEABLE SHARES**

The Offer is only made for Ordinary Shares (excluding the Retained Shares and the Excluded Shares) and the Scheme pursuant to which the Offer will be implemented will be between Heritage and the Heritage Shareholders. Therefore, the Offer is not made for Exchangeable Shares.

Subject to applicable law and regulation, the Board will procure the mandatory exchange (redemption) of all outstanding Exchangeable Shares for Ordinary Shares in accordance with their terms on written notice at a date to be determined, but which is expected to be

prior to the date on which the Scheme Document is dispatched to Heritage Shareholders. The Ordinary Shares issued to holders of Exchangeable Shares pursuant to such exchange would be subject to the Offer and acquired pursuant to the terms of the Scheme on the Effective Date. Notwithstanding the foregoing, holders of Exchangeable Shares remain free unconditionally to exchange their Exchangeable Shares for Ordinary Shares at any time prior to the date upon which the mandatory exchange (redemption) described above becomes effective.

The Offer will extend to all Ordinary Shares issued at the date of the Scheme Document (other than the Retained Shares and Excluded Shares but including all Ordinary Shares allotted or issued pursuant to the mandatory exchange of Exchangeable Shares) and all Ordinary Shares issued prior to the Scheme Record Time.

14. **HERITAGE SHARE SCHEMES**

The terms of the Offer extend to holders of Ordinary Shares issued or transferred following the vesting of awards (as appropriate) granted under the Heritage Share Schemes prior to the Scheme Record Time. Details of the proposals will be set out in the Scheme Document or, as the case may be, the Offer Document.

15. **OFFER RELATED ARRANGEMENTS**

a) *Confidentiality Agreement*

On 2 April 2014 Heritage and Al Mirqab entered into a mutual confidentiality agreement pursuant to which each of Heritage and Al Mirqab undertook to keep certain information relating to both the Offer and the other party confidential, to use such information solely for the purposes of evaluating and negotiating the Offer and not to disclose such information to third parties without the consent of the other party, except to certain parties who need access to such information for the purposes of the Offer; or if required by applicable laws or regulations, order of any court of competent jurisdiction or rules of any applicable stock exchange or competent regulatory body.

Pursuant to the agreement, Al Mirqab undertook, for a period of twelve months from the date of the agreement, not to solicit or entice away from the other party (or any group undertaking of the other party) any executive or manager or officer of the Heritage Group.

Pursuant to the agreement, Al Mirqab agreed to a standstill in relation to securities of the Company, solicitation of any person with respect to the voting of any security of the Company, and control or influence of the management of the Company for a period of twelve months from the date of the agreement.

b) *Bid Conduct Agreement*

On 30 March 2014, Al Mirqab, Anthony Buckingham and Albion entered into a bid conduct agreement (the **Bid Conduct Agreement**).

Under the Bid Conduct Agreement, each party agreed to discuss and co-operate in good faith with a view to finalising an appropriate structure for the Offer which results in Al Mirqab holding an 80 per cent. interest and Albion holding a 20 per cent. interest in the Ordinary Shares. The parties agreed to collaborate over the conduct of any discussions or negotiations with Heritage, any liaison with the Panel

or any other regulator, any discussions with any of Heritage's Shareholders and/or the press or all decisions in relation to the Offer.

The parties agreed not to effect any dealing in the shares or securities of Heritage or derivatives or other interest in the securities of Heritage as defined in the City Code for so long as the parties are acting in concert (as determined by the Panel).

The Bid Conduct Agreement shall terminate on the Long Stop Date if the Scheme Court Order has not been issued.

16. **DISCLOSURE OF INTERESTS IN RELEVANT HERITAGE SECURITIES**

Al Mirqab confirms that it has made an Opening Position Disclosure, setting out the details required to be disclosed by it under Rule 8.1(a) of the City Code.

17. **SCHEME OF ARRANGEMENT**

It is intended that the Offer will be effected by a Court-sanctioned scheme of arrangement between Heritage and the Heritage Shareholders under Article 125 of the Jersey Companies Law.

As a result of the Buckingham Arrangements, Anthony Buckingham and Albion are deemed to be acting in concert with Al Mirqab and are not considered to be independent for the purposes of the City Code. Accordingly, Anthony Buckingham and Albion will not be entitled to vote on any resolutions at the Court Meeting or Independent Shareholders' Meeting. The purpose of the Scheme is to provide for Al Mirqab to become owner of the whole of the issued and to be issued ordinary share capital of Heritage save for (i) the Retained Shares which will continue to be beneficially owned by Albion (a company beneficially owned and controlled by Anthony Buckingham) following completion of the Offer, as part of the Buckingham Arrangements, and (ii) the Excluded Shares.

Under the Scheme, the Offer is to be achieved principally by:

- a) the transfer of the Scheme Shares held by Scheme Shareholders to Al Mirqab; and
- b) amending Heritage's articles of association to ensure that any Ordinary Shares issued after the Scheme Record Time will automatically be acquired by Al Mirqab.

The implementation of the Scheme will be subject to the Conditions and further terms set out in Appendix I and to be set out in the Scheme Document. The Scheme will become effective only if, among other things, on or before the 45th day after the expected date of the Meetings to be set out in the Scheme Document in due course (or such later date, if any, as Al Mirqab and Heritage may agree and the Court may allow), the following events occur:

- a) a resolution to approve the Scheme, is passed by a majority in number representing at least three-fourths of the voting rights of the holders of Ordinary Shares present and voting either in person or by proxy at the Court Meeting;
- b) the Special Resolution necessary to implement the Scheme, is passed by Heritage Shareholders representing at least two-thirds of the votes cast (either in person or by proxy) at the General Meeting; and

- c) a resolution to approve the Buckingham Arrangements is passed by Independent Shareholders representing a majority of the votes cast on a poll (either in person or by proxy) at the Independent Shareholders' Meeting.

The Scheme must be sanctioned by the Court and will become effective in accordance with its terms only on delivery of the Scheme Court Order to the Registrar of Companies.

Upon the Scheme becoming effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Meetings and the cash consideration will be dispatched by Al Mirqab to Scheme Shareholders no later than 14 days after the Effective Date.

The Scheme will contain a provision for Al Mirqab and Heritage jointly to consent, on behalf of all persons concerned, to any modification of or addition to the Scheme or to any condition that the Court may approve or impose.

The Scheme Document will include full details of the Scheme, together with notices of the Court Meeting, the General Meeting and the Independent Shareholders' Meeting and the expected timetable, and will specify the action to be taken by Heritage Shareholders. The Scheme Document (which will include notices of the Meetings) will be sent to Heritage Shareholders as soon as reasonably practicable. Subject to satisfaction of the Conditions, it is expected that the Scheme will become effective in the third quarter of 2014.

The Scheme will be governed by Jersey law. The Offer will be subject to the applicable requirements of the City Code, the Panel and the applicable rules and regulations of the UK Listing Authority, the London Stock Exchange and any other applicable laws or regulations.

18. DELISTING AND REREGISTRATION

It is intended that dealings in Ordinary Shares will be suspended at 17.00 (London time) on the Business Day prior to the Effective Date. It is further intended that an application will be made to the UK Listing Authority for the cancellation of the listing of the Ordinary Shares on the Official List and to the London Stock Exchange for the cancellation of trading of the Ordinary Shares on the London Stock Exchange's main market for listed securities, with effect as of or shortly following the Effective Date.

It is also intended that, following the Effective Date, Heritage will be re-registered as a private company in accordance with the Jersey Companies Law.

Following the redemption of all Exchangeable Shares, it is intended that either Heritage (if the application is made prior to the Effective Date) or Al Mirqab (if the application is made after the Effective Date) will procure that HOC applies to the TSX to delist the Exchangeable Shares from the TSX and apply to the relevant securities regulatory authorities in Canada to cease to be a reporting issuer following the redemption of all Exchangeable Shares.

19. OVERSEAS HERITAGE SHAREHOLDERS

The distribution of this announcement to, and the availability of the Offer to, persons who are not resident in the United Kingdom or Jersey may be affected by the laws of their relevant jurisdiction. Such persons should inform themselves of and observe any applicable legal or regulatory requirements of their jurisdiction. Further details in relation to Overseas Shareholders will be contained in the Scheme Document. Overseas Shareholders who are

in any doubt regarding such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

This announcement does not constitute an offer for sale for any securities or an offer or an invitation to purchase any securities. Heritage Shareholders are advised to read carefully the Scheme Document and related Forms of Proxy once these have been dispatched.

Scheme Shareholders in the US

US Holders should note that the Scheme relates to the shares of a Jersey company that is a "foreign private issuer" as defined in Rule 3b-4 of the US Exchange Act and will be governed by Jersey law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules under the US Exchange Act. Accordingly, the Scheme is subject to the disclosure requirements and practices applicable in Jersey and under the City Code to schemes of arrangement, which differ from the disclosure requirements of the US tender offer rules. Financial information included in this announcement has been prepared, unless specifically stated otherwise, in accordance with accounting standards applicable in the United Kingdom and/or Jersey and thus may not be comparable to the financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US.

The receipt of cash pursuant to the Offer by a US Holder as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each Heritage Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Offer applicable to him or her.

It may be difficult for US Holders to enforce their rights and claims arising out of the US federal securities laws, since Heritage and Al Mirqab are located in countries other than the US, and some or all of their officers and directors may be residents of countries other than the US. US Holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, Al Mirqab or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Ordinary Shares outside of the US, other than pursuant to the Offer, until the date on which the Offer and/or Scheme becomes effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange Website at <http://www.londonstockexchange.com/prices-and-markets/markets/prices.htm>

Heritage and Heritage Oil Corporation are reporting issuers in the Canadian provinces of British Columbia, Alberta and Ontario. However, Heritage has disclosed publicly that it is a "designated foreign issuer" within the meaning of National Instrument 71-102 – Continuous Disclosure and Other Exemptions Related to Foreign Issuers of the Canadian Securities Administrators and Heritage Oil Corporation has received an exemption from certain continuous disclosure requirements from the applicable Canadian securities regulators provided that Heritage inter alia (i) sends concurrently to all registered and beneficial holders of Exchangeable Shares all disclosure materials that are sent to the holders of Ordinary Shares, in the manner and at the time required by the UK Rules and the

requirements of the LSE and UKLA; (ii) explains the reason the mailed material relates solely to Heritage; (iii) indicates that the Exchangeable Shares are the economic equivalent to Ordinary Shares; and (iv) describes the voting rights associated with the Exchangeable Shares. Accordingly, although Heritage and Heritage Oil Corporation are reporting issuers in the aforementioned jurisdictions, this document has not been prepared in accordance with disclosure requirements applicable in Canada. Additionally, holders of Exchangeable Shares in Canada should inform themselves of the rights and conditions attached to each Exchangeable Share.

20. **DOCUMENTS ON DISPLAY**

A copy of this announcement and the following documents will by no later than 12 noon on the Business Day following the Announcement Date be published on <http://heritageoilplc.com> until the end of the Offer Period:

- a) the irrevocable undertakings listed in Appendix 3;
- b) the offer-related arrangements referred to in paragraph 15 above; and
- c) the Buckingham Arrangements as set out in paragraph 4 above.

Neither the contents of the Heritage website, nor the content of any website accessible from hyperlinks on the Heritage website, is incorporated into or forms part of this announcement.

21. **GENERAL**

Al Mirqab reserves the right to elect to implement the Offer by way of a Takeover Offer for the entire issued and to be issued ordinary share capital of Heritage other than the Excluded Shares not already held by Al Mirqab or its Associates as an alternative to the Scheme. In such an event, a Takeover Offer will be implemented on the same terms (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme but with an acceptance condition which will be set at 90 per cent. (or such lower percentage as Al Mirqab may decide or the Panel may require) as referred to in Part A of Appendix 1 to this announcement.

If the Offer is effected by way of a Takeover Offer and such Takeover Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Al Mirqab intends to exercise its rights, to the extent applicable, to apply the provisions of Articles 116 to 118 and Article 121 of the Jersey Companies Law to acquire compulsorily the remaining Ordinary Shares in respect of which the Takeover Offer has not been accepted.

If the Offer is implemented by way of a Takeover Offer, the Ordinary Shares will be acquired pursuant to the Takeover Offer fully paid and free from all liens, charges, equitable interests, encumbrances and rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto.

The bases and sources of certain information contained in this announcement are set out in Appendix 2. Certain terms used in this announcement are defined in Appendix 4.

Unless otherwise defined in this announcement, capitalised terms used but not defined have the meanings set out in Appendix 4. Any reference to the “issued and to be issued ordinary share capital of Heritage” assumes the exchange of all of the outstanding Exchangeable Shares, in accordance with their terms, for Ordinary Shares and the issuance of any Ordinary Shares which may be issued on or after the

Announcement Date on vesting of awards under the Heritage Share Schemes. Any reference to the “issued ordinary share capital of Heritage” assumes the exchange of all of the outstanding Exchangeable Shares, in accordance with their terms, for Ordinary Shares.

This announcement is not intended to and does not constitute or form part of any offer to sell or subscribe for or any invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise. The Offer will be made solely pursuant to the terms of the Scheme Document or if applicable, the Offer Document, which will contain the full terms and conditions of the Offer, including details of how to vote in respect of the Offer. Any decision in respect of or other response to, the Offer should be made only on the basis of the information contained in the Scheme Document or if applicable, the Offer Document.

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom and Jersey may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom and Jersey should inform themselves about, and observe, any applicable requirements. In particular, the ability of persons who are not resident in the United Kingdom or Jersey to vote their Ordinary Shares at the General Meeting or the Independent Shareholders' Meeting or with respect to the Scheme at the Court Meeting, or to execute and deliver Forms of Proxy appointing another to vote at a Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. This announcement has been prepared for the purpose of complying with the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom or Jersey.

Copies of this announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. If the Offer is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

Notice to US Holders of Heritage Ordinary Shares: US Holders should note that the Offer relates to the shares of a Jersey company and is being made by means of a scheme of arrangement provided for under Jersey company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act. Accordingly, the Offer is subject to the disclosure requirements and practices applicable in Jersey to schemes of arrangement which differ from the disclosure requirements of United States tender offer and proxy solicitation rules. If, in the future, Al Mirqab exercises the right to implement the Offer by way of a takeover offer and determines to extend the offer into the United States, the Offer will be made in compliance with applicable United States laws and regulations. Financial information included in this announcement and the Scheme Document has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom and/or Jersey that may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The receipt of cash pursuant to the Offer by a US Holder as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each Heritage Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Offer applicable to him or her.

It may be difficult for US Holders to enforce their rights and claims arising out of the US federal securities laws, since Heritage and Al Mirqab are located in countries other than the US, and some or all of their officers and directors may be residents of countries other than the US. US Holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, Al Mirqab or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Ordinary Shares outside of the US, other than pursuant to the Offer, until the date on which the Offer and/or Scheme becomes effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange website at <http://www.londonstockexchange.com/prices-and-markets/markets/prices.htm>

Deutsche Bank AG is authorised under German Banking Law (competent authority: BaFin - Federal Financial Supervisory Authority) and authorised and subject to limited regulation by the Financial Conduct Authority. Deutsche Bank is acting as financial adviser to Al Mirqab and no one else in connection with the contents of this announcement and will not be responsible to anyone other than Al Mirqab for providing the protections afforded to its clients or for providing advice in connection with the contents of this announcement or any matter referred to herein.

QInvest LLC is authorised and regulated in Qatar by the QFCRA. QInvest is acting as financial adviser to Al Mirqab and no one else in connection with the contents of this announcement and will not be responsible to anyone other than Al Mirqab for providing the protections afforded to its clients or for providing advice in connection with the contents of this announcement or any matter referred to herein.

J.P. Morgan Limited is authorised and regulated in the United Kingdom by the FCA. J.P. Morgan Securities plc is authorised in the United Kingdom by the PRA and regulated by the FCA and the PRA. J.P. Morgan Limited and J.P. Morgan Securities plc conduct their respective UK investment banking business as J.P. Morgan Cazenove. J.P. Morgan Limited and J.P. Morgan Securities plc are acting, respectively, as sole financial adviser and broker exclusively for Heritage and no one else in connection with the matters set out in this announcement and will not regard any other person as their client in relation to the matters set out in this announcement and will not be responsible to anyone other than Heritage for providing the protections afforded to clients of J.P. Morgan Limited or J.P. Morgan Securities plc, nor for providing advice in relation to any matter referred to herein.

Provision of personal information to Bidco

Please be aware that addresses, electronic addresses and certain other information provided by Heritage Shareholders, persons with information rights and other relevant persons in connection with the receipt of communications from Heritage may be provided to Bidco during the offer period as required under Section 4 of Appendix 4 of the Code.

Cautionary note regarding forward-looking statements

This announcement contains certain forward-looking statements with respect to the financial condition, results of operations and business of Heritage and Al Mirqab and certain plans and objectives of Al Mirqab with respect thereto. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "hope", "aims", "continue", "will", "may", "should", "would", "could", or other words of similar meaning. These statements are based on assumptions and assessments made by Heritage and/or Al Mirqab in light of their experience and

their perception of historical trends, current conditions, future developments and other factors they believe appropriate. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. Neither Heritage nor Al Mirqab assumes any obligation to update or correct the information contained in this document (whether as a result of new information, future events or otherwise), except as required by applicable law.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions.

Dealing and Opening Position Disclosure requirements

Under Rule 8.3(a) of the City Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company (which for the purposes of the Offer includes both the Ordinary Shares and the Exchangeable Shares) or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later; following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 1st business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the City Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for; any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

A copy of this announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Heritage's website at www.heritageoilplc.com by no later than 12 noon (London time) on the business day following this announcement. For the avoidance of doubt, the contents of the above website are not incorporated and do not form part of this announcement.

APPENDIX I- CONDITIONS TO AND CERTAIN FURTHER TERMS OF THE SCHEME AND THE ACQUISITION

Part A: Conditions of the Scheme

The Offer will be conditional upon the Scheme having become unconditional and having become effective by no later than the Long Stop Date, or such later date (if any) as Al Mirqab and Heritage may (with the consent of the Panel) agree and, if required, the Court may allow.

- I. The Scheme will be conditional upon:
 - I.1 its approval by a majority in number representing not less than three-fourths of the voting rights of the holders of Ordinary Shares present and voting, either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court or at any adjournment of any such meeting on or before the 45th day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date, if any, as Al Mirqab and Heritage may agree and the Court may allow);
 - I.2 all resolutions necessary to approve and implement the Scheme being duly passed by the requisite majority or majorities at the General Meeting or at any adjournment of that meeting on or before the 45th day after the expected date of the General Meeting to be set out in the Scheme Document in due course (or such later date, if any, as Al Mirqab and Heritage may agree and the Court may allow);
 - I.3 the resolution to approve the Buckingham Arrangements being duly passed by Independent Shareholders representing a majority of the votes cast on a poll (either in person or by proxy) at the Independent Shareholders' Meeting;
 - I.4 the sanction of the Scheme by the Court with or without modification (subject to any such modification which is not of a minor, technical or administrative nature being on terms acceptable to both Al Mirqab and Heritage); and
 - I.5 the delivery of the Scheme Court Order to the Registrar of Companies for registration.

In addition, the Offer will be conditional upon the following conditions and, accordingly, the Scheme shall not become effective unless the following conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

2. in respect of each notice under section 178 of FSMA which Al Mirqab is under a duty to give in connection with the Offer, the FCA having notified Al Mirqab pursuant to section 189(4)(a) or 189(7) of FSMA that it has determined to approve the acquisition of control proposed by Al Mirqab over each member of the Wider Heritage Group which is a UK authorised person (as that expression is defined in section 191G of FSMA) pursuant to section 185 of FSMA on terms satisfactory to Al Mirqab (acting reasonably);
3. except as Disclosed, there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Heritage Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, which in consequence of the Scheme or the Offer or otherwise, would or might reasonably be expected, to an extent which is material in the context of the Wider Heritage Group taken as a whole, to result in:
 - 3.1 any moneys borrowed by or any other indebtedness (actual or contingent) of, or grant available to any such member, being or becoming repayable or capable of being declared

repayable immediately or earlier than their or its stated maturity date or repayment date, or the ability of any such member to borrow moneys or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;

- 3.2 any such agreement, arrangement, licence, permit or instrument or the rights, liabilities, obligations or interests of any such member thereunder being terminated or adversely modified or affected or any obligation or liability arising or any action of an adverse nature being taken or arising thereunder;
- 3.3 any assets or interests of any such member being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged other than in the ordinary course of business;
- 3.4 the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any such member;
- 3.5 the rights, liabilities, obligations or interests of any such member in, or the business of any such member with, any person, firm or body (or any arrangement or arrangements relating to any such interest or business) being terminated, adversely modified or affected;
- 3.6 the financial or trading position or prospects of any such member being prejudiced or adversely affected;
- 3.7 any such member ceasing to be able to carry on business under any name under which it presently does so; or
- 3.8 the creation of any liability, actual or contingent, by any such member,

and no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Heritage Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, is likely to result in any of the events or circumstances as are referred to in subparagraphs 4.1 to 4.8 of this Condition to an extent which is material in the context of the Wider Heritage Group taken as a whole;

4. no government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, court, trade agency, association, institution or any other body or person whatsoever in any jurisdiction (each, a **Third Party**) having decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or enacted, made or proposed any statute, regulation, decision or order, or having taken any other steps which would or might be expected to:
 - 4.1 require the divestiture by any member of the Wider Al Mirqab Group or by any member of the Wider Heritage Group of all or any portion of their respective businesses, assets or property or impose any material limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own any of their respective assets or properties or any part thereof to an extent which is material in the context of the Wider Al Mirqab Group or the Wider Heritage Group (as the case may be), in each case taken as a whole and provided that in the case of any requirement affecting the Wider Al Mirqab Group, such requirement is conditional on or related to the Offer;
 - 4.2 require the divestiture by any member of the Wider Al Mirqab Group of any shares or other securities in Heritage;

- 4.3 impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Al Mirqab Group directly or indirectly to acquire or to hold or to exercise effectively any rights of ownership of shares or securities convertible into shares or any other securities (or the equivalent) in any member of the Wider Heritage Group or to exercise management control over any member of the Wider Heritage Group to an extent which is material in the context of the Wider Heritage Group taken as a whole;
- 4.4 otherwise materially and adversely affect the business, assets, profits or prospects of the Wider Al Mirqab Group or the Wider Heritage Group taken as a whole (provided that in the case of any material adverse effect on the Wider Al Mirqab Group, such material adverse effect is a result of the Offer);
- 4.5 make the Scheme or its implementation or the Offer or the acquisition of control of Heritage void, illegal, and/or unenforceable, or otherwise directly or indirectly restrain, restrict, prohibit, delay or otherwise interfere with the same, or impose material additional conditions or obligations with respect thereto, or otherwise challenge or interfere therewith to an extent which is material in the context of the Offer or the Wider Heritage Group;
- 4.6 require any member of the Wider Al Mirqab Group or the Wider Heritage Group to offer to acquire any shares or other securities (or the equivalent) or interest in any member of the Wider Heritage Group or the Wider Al Mirqab Group owned by any third party;
- 4.7 impose any limitation on the ability of any member of the Wider Heritage Group to co-ordinate its business, or any part of it, with the businesses of any other members, or
- 4.8 save as a consequence of the Offer, result in any member of the Wider Heritage Group ceasing to be able to carry on business under any name under which it presently does so, and
- all applicable waiting and other time periods during which any such Third Party could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference having expired, lapsed or been terminated;
5. all necessary filings or applications having been made in connection with the Scheme and all appropriate waiting periods under any applicable statutory or regulatory obligations in any jurisdiction having expired, lapsed or been terminated in each case in respect of the Offer or the acquisition by Al Mirqab Group of control of Heritage and all authorisations, orders, recognitions, grants, consents, licences, confirmations, clearances, permissions and approvals (**Authorisations**) necessary or appropriate for or in respect of the Offer, or the acquisition of control of, Heritage by Al Mirqab Group having been obtained in terms and in a form satisfactory to Al Mirqab (acting reasonably) from all appropriate Third Parties or persons with whom any member of the Wider Heritage Group has entered into contractual arrangements and all such Authorisations together with all Authorisations necessary or appropriate to carry on the business of any member of the Wider Heritage Group remaining in full force and effect and there being no notice of any intention to revoke or not to renew any of the same at the Effective Date and all necessary statutory or regulatory obligations in any jurisdiction having been complied with;
6. except as Disclosed, no member of the Wider Heritage Group having, since 31 December 2013:
- 6.1 save as between Heritage and wholly-owned subsidiaries of Heritage or for Ordinary Shares issued pursuant to the granting of awards or the exercise of options granted under the

Heritage Share Schemes, issued, authorised or proposed the issue of additional shares of any class, save for the exchange of Exchangeable Shares to Ordinary Shares;

- 6.2 save as between Heritage and wholly-owned subsidiaries of Heritage or for the grant of options or awards made under the Heritage Share Schemes, issued or agreed to issue, authorised or proposed the issue of securities convertible into shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
- 6.3 other than to another member of the Heritage Group, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus (other than in the ordinary course of business), dividend or other distribution, whether payable in cash or otherwise;
- 6.4 save for intra-Heritage Group transactions, merged or demerged with any body corporate or acquired or disposed of or transferred, mortgaged or charged or created any security interest over, any assets or any right, title or interest in any asset (including shares and trade investments) or authorised or proposed or announced any intention to propose any merger, demerger, acquisition or disposal, transfer, mortgage, charge or security interest, in each case, other than in the ordinary course of business and which is material on the context of the Heritage Group taken as a whole;
- 6.5 save for intra-Heritage Group transactions, made or authorised or proposed or announced an intention to propose any material change in its loan capital;
- 6.6 issued, authorised or proposed the issue of any debentures or (save for intra-Heritage Group transactions), save in the ordinary course of business, incurred or increased any indebtedness or become subject to any contingent liability which is material in the context of the Heritage Group taken as a whole;
- 6.7 purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect of the matters mentioned in sub-paragraph 7.4 or 7.6 above, made any other change to any part of its share capital;
- 6.8 implemented, or authorised, proposed or announced its intention to implement, any reconstruction, amalgamation, scheme, commitment or other transaction or arrangement otherwise than in the ordinary course of business or entered into or changed the terms of any service contract with any director or employee of Heritage, which is material in the context of the Heritage Group taken as a whole;
- 6.9 entered into or varied or announced its intention to enter into or vary any contract, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long-term, onerous or unusual nature or magnitude or which is restrictive on the businesses of any member of the Wider Heritage Group taken as a whole;
- 6.10 (other than in respect of a member which is dormant and was solvent at the relevant time) taken any corporate action or had any legal proceedings started or threatened against it for its winding-up, dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction, or had any such person appointed;
- 6.11 waived or compromised any claim, which is material in the context of the Wider Heritage Group;

- 6.12 entered into any contract, commitment, arrangement or agreement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced any intention to, or to propose to, effect any of the transactions, matters or events referred to in this condition;
- 6.13 having made or agreed or consented to any change to:
- 6.13.1 the terms of the trust deeds constituting the pension scheme(s) established by any member of the Wider Heritage Group for its directors, employees or their dependants;
 - 6.13.2 the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;
 - 6.13.3 the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
 - 6.13.4 the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made;
- 6.14 proposed, agreed to provide or modified the terms of any share option scheme or incentive scheme provided by the Wider Heritage Group: or
- 6.15 having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Heritage Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the City Code, and, for the purposes of paragraphs 7.3 to 7.6 of this Condition, the term Heritage Group shall mean Heritage and its wholly-owned subsidiaries;
7. except as Disclosed or as disclosed in the accounts for the year ended 31 December 2013;
- 7.1 no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or prospects of *any* member of the Wider Heritage Group which in any such case is material in the context of the Wider Heritage Group taken as a whole;
 - 7.2 no litigation, arbitration proceedings, prosecution or other legal or regulatory proceedings to which any member of the Wider Heritage Group is or may become a party (whether as a plaintiff, defendant or otherwise) and no investigation by any Third Party against or in respect of any member of the Wider Heritage Group having been instituted, announced or threatened by or against or remaining outstanding which in any case would reasonably be expected to have a material adverse effect on the Wider Heritage Group taken as a whole;
 - 7.3 no contingent or other liability having arisen which would reasonably be expected to adversely affect any member of the Wider Heritage Group in a manner which is material in the context of the Wider Heritage Group taken as a whole; and
 - 7.4 no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Heritage Group which is necessary for the proper carrying on of its business in all material respects; and
8. save as Disclosed, Al Mirqab not having discovered:

- 8.1 that any financial, business or other information concerning the Wider Heritage Group as contained in the information publicly disclosed at any time by or on behalf of any member of the Wider Heritage Group is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not materially misleading;
- 8.2 that any member of the Wider Heritage Group is subject to any liability (contingent or otherwise) which is not disclosed in the annual report and accounts of Heritage for the year ended 31 December 2013 and which is material in the context of the Heritage Group taken as a whole;
- 8.3 that any past or present member of the Wider Heritage Group has paid or agreed to pay any bribe including any “inducement fee”, given or agreed to give any similar gift or benefit or paid or agreed to pay to a concealed bank account or fund to or for the account of, any customer, supplier, governmental official or employee, representative of a political party, or other person for the purpose of obtaining or retaining business or otherwise engaged in any activity, done such things (or omitted to do such things) in contravention of the UK Bribery Act 2010; or
- 8.4 that there has been a material disposal, discharge, spillage, accumulation, release, leak, emission or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or any substance likely to impair the environment (including any property) or harm human health which (whether or not giving rise to non-compliance with any law or regulation), would be likely to give rise to any material obligation or liability (whether actual or contingent) on the part of any member of the Wider Heritage Group (in any case to an extent which is material in the context of the Wider Heritage Group as a whole).

Al Mirqab reserves the right to waive, in whole or in part, all or any of Conditions above, except for Conditions 1.1, 1.2, 1.4 and 1.5 (inclusive).

Conditions 1.1 and 1.2 (inclusive) must be fulfilled by, and Conditions 1.3 (inclusive) fulfilled or waived by no later than 11.59 p.m. on the date immediately preceding the date of the Scheme Court Hearing, failing which the Scheme will lapse. Al Mirqab shall be under no obligation to waive or treat as satisfied any of Condition 1.3 by a date earlier than the latest date specified above for the fulfilment or waiver thereof, notwithstanding that the other Conditions of the Offer may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.

If Al Mirqab is required by the Panel to make an offer for Ordinary Shares under the provisions of Rule 9 of the City Code, Al Mirqab may make such alterations to any of the above Conditions as are necessary to comply with the provisions of that Rule.

Save with the consent of the Panel, the Offer will lapse and the Scheme will not proceed if the Offer is referred to the UK's Competition and Markets Authority before the time of the Court Meeting or, if Al Mirqab elects to implement the Offer by way of a Takeover Offer, before 3.00 p.m. on the first closing date of the Takeover Offer or the date on which the Takeover Offer becomes or is declared unconditional as to acceptances, whichever is the later.

Al Mirqab reserves the right to elect (with the consent of the Panel) to implement the Offer by way of a Takeover Offer. In such event, such offer will be implemented on the same terms, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments to reflect the change in method of effecting the Offer, including (without limitation and subject to the consent of the Panel) an acceptance condition that is set by references to shares carrying 90 per cent. of the

number of shares to which the Offer relates (or such lower percentage as Al Mirqab may decide or the Panel may require, being more than 50 per cent.).

The availability of the Offer to persons not resident in the United Kingdom or Jersey may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom or Jersey should inform themselves about and observe any applicable requirements.

The Scheme will be governed by Jersey law and be subject to the jurisdiction of the Jersey courts, to the Conditions set out above and in the formal Scheme Document (provided that no modifications may be made to the Conditions set out above without the consent of Heritage) and related Forms of Proxy. The Offer will be subject to the applicable requirements of the City Code, the Panel and the applicable rules and regulations of the UK Listing Authority, the London Stock Exchange and any other applicable laws or regulations.

Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

Part B: Certain further terms of the Scheme

Ordinary Shares which will be acquired under the Scheme will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the Announcement Date.

APPENDIX 2 - SOURCES OF INFORMATION AND BASES OF CALCULATION

In this announcement:

1. Unless otherwise stated financial information relating to the Heritage Group has been extracted or derived (without any adjustment, save for rounding) from the audited annual report and accounts for Heritage for the year ended 31 December 2013.
2. As at the close of business on 29 April 2014, being the last Business Day before the Announcement Date, Heritage had in issue 275,669,060 Ordinary Shares, and 1 Special Voting Share. The International Securities Identification Number for Ordinary Shares is JE00B2Q4TN56. The Special Voting Share exists only to facilitate voting of Exchangeable Shares and is held by Computershare. The Special Voting Share does not carry income rights. HOC has 2,256,818 Exchangeable Shares in issue. The International Securities Identification Number for the Exchangeable Shares is CA4269283053. It is currently anticipated that the Board will procure the mandatory exchange (redemption) of all outstanding Exchangeable Shares for Ordinary Shares at a date to be determined, but which is expected to be prior to the date on which the Scheme Document is dispatched to Heritage Shareholders.
3. The issued and to be issued ordinary share capital of Heritage (being 288,744,955 Ordinary Shares but excluding the Excluded Shares) is calculated on the basis of:
 - 3.1 the number of issued Ordinary Shares referred to in paragraph 2 above;
 - 3.2 any further Ordinary Shares which may be allotted or issued on or after the Announcement Date on exchange of the Exchangeable Shares, amounting in aggregate to 2,256,818 Ordinary Shares; and
 - 3.3 any further Ordinary Shares which may be allotted or issued on or after the Announcement Date on vesting of awards under the Heritage Share Schemes, amounting in aggregate to 10,819,077 Ordinary Shares.
4. The issued ordinary share capital of Heritage (being 277,925,878 Ordinary Shares but excluding the Excluded Shares) is calculated on the basis of:
 - 4.1 the number of issued Ordinary Shares referred to in paragraph 2 above; and
 - 4.2 any further Ordinary Shares which may be allotted or issued on or after the Announcement Date on exchange of the Exchangeable Shares, amounting in aggregate to 2,256,818 Ordinary Shares.
5. Closing prices are taken from the London Stock Exchange's Daily Official List for Ordinary Shares and from Bloomberg for Exchangeable Shares. Unless otherwise stated, all closing prices for Ordinary Shares or Exchangeable Shares are closing middle market prices.
6. Volume weighted average prices are derived from FactSet.
7. Unless otherwise stated, the £/C\$ exchange rate used is the rate displayed on Bloomberg of £0.5420 to C\$1.00 as at 5.00 p.m. (London time) on 29 April 2014 being the last Business Day before the Announcement Date.

APPENDIX 3 – DETAILS OF IRREVOCABLE UNDERTAKINGS

Name of Heritage Shareholder	Number of Ordinary Shares and/or Exchangeable Shares (including beneficial holdings and holdings otherwise controlled)	Percentage of Heritage issued ordinary share capital
Albion and Anthony Buckingham ⁽¹⁾	94,669,850 Ordinary Shares	34.06 per cent.
Paul Atherton	4,015,000 Ordinary Shares	1.44 per cent.
Michael Hibberd ⁽²⁾	1,375,000 Ordinary Shares	0.49 per cent.
John McLeod	80,000 Ordinary Shares 1,000 Exchangeable Shares	0.03 per cent.
Gregory Turnbull	700,000 Ordinary Shares 300,070 Exchangeable Shares	0.36 per cent.

- (1) This irrevocable undertaking ceases to be binding on the earlier of the (i) Long Stop Date and (ii) the occurrence of one of the following:
- (a) the Scheme is cancelled or withdrawn and Bidco does not announce a Takeover Offer within 21 days of such cancellation or withdrawal; or
 - (b) the Scheme or any Takeover Offer lapses in accordance with its terms.
- Notwithstanding the lapse of Albion's undertakings in the circumstances set out above, Albion's commitment not to accept any other offer in respect of Anthony Buckingham's beneficial interest in Ordinary Shares shall continue until the Long Stop Date.
- (2) These undertakings cease to be binding on the earlier of (i) the Long Stop Date and (ii) the occurrence of one of the following:
- (a) the formal documents setting out the terms and conditions of the Scheme Document or the Offer Document is not posted to the Heritage Shareholders by 15 June 2014; or
 - (b) the Scheme is cancelled or withdrawn and Bidco does not announce at the same time a Takeover Offer; or
 - (c) the required proportions of Heritage Shareholders do not vote in favour of the Scheme at the Scheme Meeting, General Meeting and/or Independent Shareholders' Meeting; or
 - (d) the Scheme or any Takeover Offer lapses in accordance with its terms.

APPENDIX 4 - DEFINITIONS

2008 LTIP means the 2008 Long Term Incentive Plan approved by shareholders of Heritage in June 2008;

2011 LTIP the 2011 Long Term Incentive Plan approved by shareholders of Heritage in June 2011;

Advisory Agreement means the agreement to be entered into following completion of the Offer between Heritage and Anthony Buckingham relating to his provision of advisory services to Heritage;

Albion means Albion Energy Limited, a shareholder of Heritage whose share capital is beneficially owned by Anthony Buckingham;

Al Mirqab means Al Mirqab Capital SPC, incorporated in the State of Qatar with registered number 21831;

Al Mirqab Group means Al Mirqab, its parent undertaking and its subsidiary undertakings and the subsidiary undertakings of such parent undertaking;

Announcement Date means 30 April 2014;

Associates has the meaning given by Article 123 of the Jersey Companies Law;

associated undertaking has the meaning given by paragraph 19 of Schedule 6 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 other than paragraph 19(1)(b) of Schedule 6 to those Regulations which shall be excluded for this purpose;

Bidco means Energy Investments Global Ltd, incorporated in the British Virgin Islands with registered number 1821077;

Board means the board of directors of Heritage;

Buckingham Arrangements means the Shareholders' Agreements and the Advisory Agreement.

Business Day means a day (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for business in London and Jersey;

City Code means the City Code on Takeovers and Mergers;

Closing Price means the closing middle market quotation of an Ordinary Share as derived from the Daily Official List;

Computershare means Computershare Trust Company of Canada;

Conditions means the conditions of the Offer set out in Appendix I to this announcement and to be set out in the Scheme Document or, if applicable, the Offer Document, and **Condition** means any of them;

Court means the Royal Court of Jersey;

Court Meeting means the meeting of the Independent Shareholders convened by order of the Court pursuant to Article 125 of the Jersey Companies Law for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment) and any adjournment thereof;

Dealing Disclosure has the meaning given to it in the City Code;

Deutsche Bank means Deutsche Bank AG, a corporation domiciled in Frankfurt am Main, Germany, operating in the United Kingdom under branch registration number BR000005, acting through its London branch at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom;

Disclosed fairly disclosed in writing by or on behalf of Heritage to Al Mirqab or its professional advisers before the Announcement Date in connection with the Offer;

Effective Date the date on which the Scheme becomes effective in accordance with its terms;

Exchangeable Shares means the non-voting exchangeable shares in the capital of HOC convertible into Ordinary Shares in accordance with the terms and having the rights privileges, restrictions and conditions set out in the articles of HOC;

Excluded Shares means the Ordinary Shares issued but not outstanding held by Heritage in treasury at the Effective Date;

FCA means the Financial Conduct Authority of the United Kingdom;

Forms of Proxy means the forms of proxy for use at the Court Meeting and/or the General Meeting and/or the Independent Shareholders' Meeting;

FSMA means the Financial Services and Markets Act 2000 (as it may have been, or may from time to time be, amended, modified, re-enacted or replaced);

General Meeting means the extraordinary general meeting of Heritage Shareholders to be convened to consider and if thought fit pass, among other things, the Special Resolution;

Heritage or the **Company** means Heritage Oil Plc, incorporated in Jersey with registered number 99922;

Heritage Directors means the directors of Heritage;

Heritage Group means Heritage and its subsidiaries and subsidiary undertakings;

Heritage Shareholders means the holders of Ordinary Shares;

Heritage Share Schemes means the 2008 LTIP and the 2011 LTIP;

HOC means Heritage Oil Corporation, a publicly traded company incorporated and existing under the Business Corporations Act (Alberta);

Independent Directors or **Independent Committee** means Michael Hibberd, Gregory Turnbull, John McLeod, Carmen Rodriguez and Mark Erwin;

Independent Shareholder Meeting means the meeting of Independent Shareholders to be convened to consider and if thought fit approve the Buckingham Arrangements;

Independent Shareholders means all of the holders of Ordinary Shares from time to time, other than Anthony Buckingham and Albion;

J.P. Morgan Cazenove means J.P. Morgan Limited, acting in its capacity as financial adviser to Heritage which conducts its UK investment banking business as J.P. Morgan Cazenove;

Jersey Companies Law means the Companies (Jersey) Law 1991, as amended;

London Stock Exchange means London Stock Exchange plc;

Long Stop Date means 29 September 2014;

Meetings means the Court Meeting, the General Meeting and the Independent Shareholders' Meeting;

Offer means the proposed acquisition of the entire issued and to be issued ordinary share capital of Heritage by Al Mirqab (other than the Retained Shares and Excluded Shares), to be effected by the Scheme as described in this announcement (or by the Takeover Offer under certain circumstances described in this announcement);

Offer Document means, should the Offer be implemented by means of a Takeover Offer, the document to be sent to holders of Ordinary Shares which will contain, inter alia, the terms and conditions of the Offer;

Offer Period means the period commencing on 30 April 2014 and ending on the earlier of the Effective Date and/or the date on which the Scheme lapses or is withdrawn (or such other date as the Panel may decide);

Opening Position Disclosure has the meaning given to it in the City Code;

Ordinary Shares means the ordinary shares of no par value in the capital of Heritage;

Overseas Shareholders means Heritage Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom or Jersey;

Panel means the Panel on Takeovers and Mergers;

QInvest means QInvest LLC;

Registrar of Companies means the registrar of companies for Jersey;

Restricted Jurisdiction means any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Heritage Shareholders in that jurisdiction;

Retained Shares means 57,748,991 of the Ordinary Shares legally or beneficially owned by Albion and/or Anthony Buckingham which will be retained post completion of the Offer in accordance with the Shareholders' Agreement;

Scheme means the proposed scheme of arrangement under Article 125 of the Jersey Companies Law between Heritage and Heritage Shareholders to implement the Offer;

Scheme Court Hearing means the hearing of the Court to sanction the Scheme;

Scheme Court Order means the act of the Court sanctioning the Scheme;

Scheme Document means the document to be dispatched to Heritage Shareholders in respect of the Scheme;

Scheme Record Time means 6.00 p.m. on the Business Day on which the Scheme Court Order is made;

Scheme Shareholders means holders of Scheme Shares;

Scheme Shares means:

- (a) the Ordinary Shares in issue at the date of the Scheme Document;
- (b) any Ordinary Shares issued after the date of the Scheme Document and before the Voting Record Time; and
- (c) any Ordinary Shares issued at or after the Voting Record Time and before the Scheme Record Time in respect of which the original or any subsequent holder thereof is bound by the Scheme, or shall by such time have agreed in writing to be bound by the Scheme,

other than the Retained Shares and the Excluded Shares;

Shareholders' Agreement means the shareholders' agreement dated 29 April 2014 entered into between Al Mirqab and Albion;

Shoreline means Shoreline Natural Resources Limited, incorporated in Nigeria with corporate number 927144;

Significant interest means a direct or indirect interest in ten per cent. or more of the equity share capital (as defined in the Companies Act 2006);

Special Resolution means the special resolution to be considered at the General Meeting to alter Heritage's articles of association and such other matters as may be necessary to implement the Scheme;

Special Voting Share means the special voting share of no par value in the capital of Heritage issued to Computershare, as trustee, which carry a number of votes, exercisable at all meetings of Heritage, on the same basis as Ordinary Shares, equal to the number of Exchangeable Shares outstanding (excluding those Exchangeable Shares held by Heritage or its affiliates);

subsidiary has the meaning given in section 1159 of the Companies Act 2006;

subsidiary undertaking has the meaning given by the Companies Act 2006;

Takeover Offer means, that should the Offer be implemented by way of a takeover offer (as defined in Article 116 of the Jersey Companies Law), the takeover offer to be made by or on behalf of Al Mirqab to acquire the entire issued and to be issued ordinary share capital of Heritage other than the Excluded Shares and, where the context admits, any subsequent revision, variation, extension or renewal of such offer;

TSX means the Toronto Stock Exchange;

UK or United Kingdom means the United Kingdom of Great Britain and Northern Ireland;

UK Listing Authority means the FCA acting in its capacity as the competent authority for listing in the United Kingdom for the purposes of Part VI of FSMA;

US or United States means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;

US Exchange Act means the United States Securities Exchange Act of 1934;

US Holders means holders of Ordinary Shares ordinarily resident in the US or with a registered address in the US, and any custodian, nominee or trustee holding Ordinary Shares for persons in the US or with a registered address in the US;

Voting Record Time means 6.00 p.m. on the day which is two days before the date of the Court Meeting or any adjournment thereof (as the case may be);

Wider Al Mirqab Group means Al Mirqab and its subsidiary undertakings, associated undertakings and any other undertaking in which Al Mirqab and/or such undertakings (aggregating their interests) have a significant interest; and

Wider Heritage Group means Heritage and its subsidiary undertakings, associated undertakings and any other undertaking in which Heritage and/or such undertakings (aggregating their interests) have a significant interest.