



Press Release

HARVEST OPERATIONS ANNOUNCES COMPLETION OF THE 6 $\frac{7}{8}$ % SENIOR NOTES EXCHANGE OFFER

CALGARY, ALBERTA – AUGUST 2, 2012: Harvest Operations Corp. (“Harvest” or the “Company”) (TSX: HTE.DB.D, HTE.DB.E, HTE.DB.F and HTE.DB.G) announced the completion of its offer to exchange up to (the “Exchange Offer”) US\$500,000,000 in aggregate principal amount of its 6 $\frac{7}{8}$ % Senior Notes due 2017 that have been registered under the United States Securities Act of 1933, as amended, for the same principal amount of outstanding unregistered 6 $\frac{7}{8}$ % Senior Notes due 2017 (the “Original Notes”).

The Exchange Offer expired at 5:00 p.m., New York City time, on August 1, 2012. Based on the final count by the exchange agent for the Exchange Offer, 100% of the aggregate principal amount of the Original Notes were tendered.

This press release is not an offer to exchange or a solicitation of acceptance of the offer to exchange and shall not constitute an offer, solicitation or sale of any security in any jurisdiction in which such offering, solicitation or sale would be unlawful.

CORPORATE PROFILE

Harvest is a wholly-owned subsidiary of Korea National Oil Corporation (“KNOC”). Harvest is a significant operator in Canada’s energy industry offering stakeholders exposure to an integrated structure with Upstream (exploration, development and production of crude oil and natural gas) and Downstream (refining and marketing of distillate, gasoline and fuel oil) segments. Our Upstream oil and gas production is weighted approximately 65% to crude oil and liquids and 35% to natural gas and is complemented by our long-life refining and marketing business. Harvest's outstanding debentures are traded on the TSX under the symbols "HTE.DB.D", "HTE.DB.E", "HTE.DB.F" and "HTE.DB.G".

KNOC is a state owned oil and gas company engaged in the exploration and production of oil and gas along with the storage of petroleum resources. KNOC will fully establish itself as a global government-run petroleum company by applying ethical, sustainable and environment-friendly management and by taking corporate social responsibility seriously at all times. For more information on KNOC, please visit their website at www.knoc.co.kr/ENG/main.jsp.

ADVISORY

Certain information in this press release contains forward-looking information that involves risk and uncertainty.

For this purpose, any statements that are contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements often contain terms such as “may”, “will”, “should”, “anticipate”, “expects” and similar expressions.

A further list and description of risks, uncertainties and other matters regarding Harvest and its securities can be found in Harvest's registration statement on Form F-4 covering the exchange offer, Harvest's Annual Report on Form 20-F for the fiscal year ended December 31, 2011, and in its Reports of Foreign Issuer on Form 6-K, all as filed with the U.S. Securities and Exchange Commission.

Readers are cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Harvest assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement.

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