



14 April 2010

Hardy Oil and Gas plc

("Hardy" or "the Company")

Publication of CPR and Independent Assessment

This is a replacement to the RNS statement, number 1459K released at 0700GMT this morning 14th April 2010. This is being reissued to correct the figure, denoted in the key highlights section, for the current D3 net risked Best Estimate gas Prospective Resources which was stated as 350 BCF. This figure should read 390 BCF. No other alterations have been made

Hardy Oil and Gas plc (LSE:HDY), the oil and gas exploration and production company with assets predominantly in India, announces the publication of a Competent Persons Report of its Indian assets and an Independent Assessment of its Nigerian assets.

A Competent Persons Report has been undertaken by Gaffney, Cline & Associates Ltd (GCA) assessing the Company's Indian assets and an Independent Assessment report from RPS Energy (RPS) assessing the Company's Nigerian assets.

The GCA report highlights the significant prospective resource potential of the Company's Krishna Godavari Basin assets. Set out below is a summary of the key highlights of the reports.

Key Highlights:

Reserves

- Total net Proven plus Probable (2P) oil Reserves increased to 2.9 MMBbl (June 2007: 2.7 MMBbl)
 - Indian net 2P oil Reserves 2.5 MMBbl (June 2007: 2.7 MMBbl)
 - Nigerian net 2P oil Reserves 0.4 MMBbl (June 2007: nil)

Contingent Resources

- Total net 2C gas Contingent Resources amount to 201 BCF (May 2009: 231 BCF)
 - Indian net 2C gas Contingent Resources 158 BCF (May 2009: 160 BCF)
 - Nigerian net 2C gas Contingent Resources 44 BCF (June 2007: 72 BCF)
- Total net 2C oil Contingent Resources amount to 2.6 MMBbl (June 2007: 3.1 MMBbl)

Prospective Resources

- **D3 identified net risked Best Estimate gas Prospective Resources* (prospects) has increased to 390 BCF (May 2009: 250 BCF)**
 - The number of prospects has risen to 26 from 15
 - As a result of the Dhirubhai 44 discovery in December 2009, the Miocene play type has been proven. Subsequently the geological chance of success for the Miocene prospects has increased from 45 per cent to 70 per cent
 - The overall resource potential in the D3 block has been enhanced relative to GCA's technical evaluation in May 2009
- **D9 net risked Best Estimate gas Prospective Resources* (prospects and leads) remain substantial at 520 BCF (May 2009: 1,061 BCF)**

- Net risked Best Estimate oil Prospective Resources (*prospects and leads*) unchanged at 18 MMBbl

** Aggregated risked Prospective Resources have been derived by Hardy and are not aggregated or provided as risked volumes by GCA.*

A summary and comparison of the reports is provided at the end of this announcement and complete reports can be downloaded from Hardy's website www.hardyoil.com.

Commenting on the report, Yogeshwar Sharma, Chief Executive Officer of Hardy said:

"We are pleased to provide updated third party assessments on the Company's reserve and resources potential. Hardy continues to be optimistic regarding the significant resource potential of the Company's Krishna Godavari Basin assets and the potential to add and enhance production from our operated assets.

Three consecutive discoveries on the D3 exploration block have de-risked several play-types and the increase in number of identified prospects has resulted in an upgrade of the block's risked gas Prospective Resources. D9 continues to hold multi-TCF prospects as we continue the early stages of exploration in this extensive block."

Hardy will be hosting an Analyst Conference Call at 11:00 am to discuss this announcement. Please contact Chris McMahon at Buchanan Communications on 020 7466 5000 for the teleconference dial in details.

For further information please contact:

Hardy Oil and Gas plc		020 7471 9850
Yogeshwar Sharma	Chief Executive Officer	
Dinesh Dattani	Finance Director	
Arden Partners plc		020 7614 5917
Richard Day		
Matthew Armitt		
Buchanan Communications		020 7466 5000
Mark Edwards		
Chris McMahon		

HARDY'S¹ RESERVE AND RESOURCES SUMMARY AND COMPARISON TABLE

RESERVES (PROVEN PLUS PROBABLE)

Net PY-3 oil production from the date of the previous report (June 2007) to the effective date (December 2009) of GCA's report was 0.38 MMBbl. The RPS report has provided for the reclassification of 0.41 MMBbl of oil from Contingent Resources to undeveloped Reserves in Hardy's Oza block.

				Current³		Previous³	
RESERVES (Proven + Probable)²				Gross	Net	Gross	Net
PY-3 ⁸	Producing	Oil	MMBbl	16.30	2.50	17.57	2.69
Oza ⁶	Undeveloped	Oil	MMBbl	3.12	0.41	-	-
Total Reserves (Proven + Probable)		Oil	MMBbl	19.42	2.91	17.57	2.69

CONTINGENT RESOURCES (2C)

Net 2C gas Contingent Resources for India have essentially remained unchanged.

				Current³		Previous³	
CONTINGENT RESOURCES (2C)²				Gross	Net	Gross	Net
GS-01	B1 (Dhirubhai 33)	Gas	BCF	83.0	8.3	91.5	9.15
Atala ⁹	A1	Gas	BCF	217.5	43.5	359.0	71.80
CY-OS/2 ^{5,7}	Ganesh 1	Gas	BCF	130.0	97.5	144.0	108.00
D3	A1 (Dhirubhai 39)	Gas	BCF	210.0	21.0	210.0	21.00
D3	B1 (Dhirubhai 41)	Gas	BCF	213.0	21.3	213.0	21.30
D3	R1 (Dhirubhai 44)	Gas	BCF	98.0	9.8	-	-
Oza ⁶	Oza	Oil	MMBbl	6.6	1.2	3.8	1.60
Atala	Atala	Oil	MMBbl	6.3	1.3	7.5	1.50
Total Contingent Resources² (2C)		Gas	BCF	951.5	201.4	1,017.5	231.25
		Oil	MMBbl	12.9	2.6	11.3	3.10

PROSPECTIVE RESOURCES

D3 Play Fairway - The play fairway methodology has not been employed for the current GCA report. Given further positive drilling results and enhancement of the prospect inventory, GCA has undertaken to validate the identified prospects only. Leads and yet to be identified leads have not been considered in this report. In relation to GCA's previous work, they have noted ***"In summary, the overall resource potential in Block D3 has therefore improved relative to GCA's evaluation of 2009."***⁴

D3 – The total number of identified prospects has risen to 26 (May 2009: 15) with an average size of ~150 BCF per prospect. As a result of the Dhirubhai 44 (R1) discovery, the geological chance of success of the Miocene prospects has increased from 45 per cent to 70 per cent. As a result, the aggregated risked Best Estimate Prospective Resources for D3 have increased by 56 per cent. As announced on 6 April 2010, the Company is currently drilling the exploration well KGV-D3-W1 to further evaluate Pliocene and Miocene prospects.

D9 – The overall risked Prospective Resources of the D9 block remains substantial. The data gathered from the KG-D9-A1 well has led to a reduction of the overall risked resource estimates, primarily in the middle Miocene. The number of prospects remains relatively unchanged due to the addition of several new prospects. Direct Hydrocarbon Indicator (DHI) techniques have shown positive results leading to relatively minor adjustments to the geological chance of success of various prospects. The overall oil Prospective Resources in the Cretaceous and Palaeocene remain unchanged. The Company anticipates re-commencement of exploration drilling in the second half of 2010.

Risked Prospective Resources (Best Estimate) ^{1, 2}				Current ³		Previous ³	
				Gross	Net	Gross	Net
CY-OS/2 ^{5,7}	Prospects	Gas	BCF	113	85	33	25
GS-01	Prospects	Gas	BCF	143	14	113	11
D3	Prospects	Gas	BCF	3,869	387	2,474	247
D9	Prospects and Leads	Oil	MMBbl	180	18	183	18
D9	Prospects and Leads	Gas	BCF	5,197	520	10,610	1,061
Assam	Leads	Oil	MMBbl	2.5	0.3	-	-

Total Risked Prospective Resources (Best Estimate) ^{1, 2}	Gas	BCF	9,321	1,006	13,230	1,345
	Oil	MMBbl	182	18	201	32

Notes:

- 1. Aggregated risked Prospective Resources have been derived by Hardy and are not aggregated or provided as risked volumes by GCA.**
- 2. The GCA and RPS reports have used the Petroleum Resources Management System published by the Society of Petroleum Engineers, World Petroleum Council, American Association of Petroleum Geologists and Society of Petroleum Evaluation Engineers in March 2007 (SPE PRMS) as the basis for its classification and categorisation of hydrocarbon volumes.**
- 3. The above comparisons are based on today's published reports against estimates provided in the most recent previously published reports. Previously published reports comprises a GCA Competent Persons Report (effective June 2007), produced in conjunction with Hardy's Main Market listing prospectus, and a GCA Technical Evaluation report on D9 and D3 (effective May 2009).**
- 4. As announced on 27 May 2009, GCA's Technical Evaluation (May 2009) employed, in addition to validating prospects identified by Hardy, a play-based exploration methodology on the D3 block to address both the current prospect inventory and the "yet to find" resource potential. Using the play based exploration methodology, the potential net risked Best Estimate Resources for the D3 block was estimated at 950 BCF with a range of 150 BCF (low estimate) to 2,300 BCF (High Estimate). This included identified prospects and leads and a number of postulated prospects based on the play area and field size distribution.**

Play-based exploration methodology – each play comprises currently identified prospects and leads and a number of postulated prospects based on the play area and field size distribution. Volumetric estimates are made at both the prospect and play level. In addition, Geological Chance of Success (GCOS) is assigned to all the prospects and leads.

- 5. With respect to Ganesh-1 (CY-OS/2) non-associated natural gas discovery, Hardy has presented a case to the Ministry of Petroleum and Natural Gas, of the Government of India that supports our claim of entitlement to a licence extension. In the absence of a resolution in our favour in the near future, we intend to refer the dispute for sole expert or conciliation and arbitration.**
- 6. As announced in April 2008, subsequent to the 2007 GCA Competent Persons Report Hardy reduced its working interest in Oza from 40 per cent to 20 per cent via a farmout.**
- 7. In the event of a commercial development of a discovery, ONGC has the option to back-into the CY-OS/2 licence at an interest of 30 per cent.**
- 8. On 19 April 2007 the PY-3 joint venture management committee had approved gross expected ultimate 2P oil Reserves of 44.4 MMBbl. As of 31 December 2009 the field has produced 22.9 MMBbl with remaining 2P oil Reserves of 21.5 MMBbl (net 3.9 MMBbl).**
- 9. Aggregated Contingent Resources for Atala have been derived by Hardy and are not aggregated by RPS.**
- 10. The Company has filed the updated GCA Competent Persons Report (April 2010) with the Directorate General of Hydrocarbons, of the Ministry of Petroleum and Natural Gas, of the Government of India ('DGH').**

GLOSSARY OF TERMS

2C	see guidelines laid out in the 2007 Petroleum Resources Management System, published by the SPE/WPC/AAPG/SPEE
2P	see guidelines laid out in the 2007 Petroleum Resources Management System, published by the SPE/WPC/AAPG/SPEE
3D	three dimensional
Assam block	onshore exploration licence AS-ONN-2000/1, located in the north east of India, comprising 5,754 km ²
AVO	amplitude variations with offset supports the interpretation of various seismic anomalies being direct hydrocarbon indicators
Atala	Nigeria marginal field concession located within OML 46, comprising 34 km ²
BCF	billion cubic feet
Best Estimate	see guidelines laid out in the 2007 Petroleum Resources Management System, published by the SPE/WPC/AAPG/SPEE
Contingent Resources	see guidelines laid out in the 2007 Petroleum Resources Management System, published by the SPE/WPC/AAPG/SPEE
CPR	Competent Person's Report
CSEM	constrained source electro magnetism survey
CY-OS/2	offshore exploration licence CY-OS/2, located in the southeast of India, comprising 859 km ² and operated by Hardy Exploration & Production (India) Inc
D3	offshore exploration licence KG-DWN-2003/1, located in the Krishna Godavari Basin off the east coast of India, comprising 3,288 km ²
D9	offshore exploration licence KG-DWN-2001/1, located in the Krishna Godavari Basin off the east coast of India, comprising 11,605 km ²
DGH	Directorate General of Hydrocarbons of the Ministry of Petroleum and Natural Gas of the Government of India
Dhirubhai 39	gas discovery on KGV-D3-A1 announced on 13 February 2008
Dhirubhai 41	gas discovery on KGV-D3-B1 announced on 1 April 2008
Dhirubhai 44	gas discovery on KGV-D3-R1 announced on 22 December 2009
DHI	direct hydrocarbon indicator
GCA	Gaffney, Cline & Associates Ltd
GCOS	geological chance of success
GS-01	offshore exploration licence GS-OSN-2000/1, located off the west coast of India, comprising 5,890 km ²
km	Kilometre
km ²	square kilometre
Lead	see guidelines laid out in the 2007 Petroleum Resources Management System, published by the SPE/WPC/AAPG/SPEE
MMBbl	million barrels of oil
ONGC	Oil and Natural Gas Corporation Limited
Oza	Nigeria marginal field concession located within OML 11, comprising 23 km ²
Prospective Resources	see guidelines laid out in the 2007 Petroleum Resources Management System, published by the SPE/WPC/AAPG/SPEE
Prospect	see guidelines laid out in the 2007 Petroleum Resources Management System, published by the SPE/WPC/AAPG/SPEE
PY-3	producing licence CY-OS-90/1
Reliance	Reliance Industries Limited
Reserves	see guidelines laid out in the 2007 Petroleum Resources Management System, published by the SPE/WPC/AAPG/SPEE
RPS	RPS Energy of the RPS Group
TCF	trillion cubic feet

NOTES TO THE EDITORS

Hardy Oil and Gas plc is an upstream international oil and gas company whose assets are principally in India. Its portfolio includes a blend of exploration, appraisal, development, and production assets. Hardy's goal is to evaluate and exploit its asset base with a view to creating significant value for its shareholders.

Hardy Oil and Gas plc has existing production from an offshore field in India's Cauvery Basin. Hardy also has interests in four offshore exploration blocks in India's Krishna Godavari, Saurashtra, and Cauvery Basins and one onshore exploration block in the Assam Basin and two development licences in Nigeria.

Hardy is incorporated under the laws of the Isle of Man and headquartered in London, UK. Ordinary shares of Hardy were admitted to the Official List and the London Stock Exchange's market for listed securities effective 20 February 2008 under the symbol HDY.

The Company's Indian assets are held through the wholly owned subsidiary Hardy Exploration & Production (India) Inc, located in Chennai, India. The Company's Nigerian assets are held through wholly owned subsidiary Hardy Oil Nigeria Limited, located in Lagos, Nigeria.

For further information please refer to our website at www.hardyoil.com