



THIS DISCLOSURE IS MADE PURSUANT TO ARTICLE 33 OF THE REGULATIONS OF THE ABU DHABI STOCK EXCHANGE AS TO DISCLOSURE AND TRANSPARENCY

Sharjah, UAE: 19 February 2018: Dana Gas PJSC ("Dana Gas" or the "Company") provides the following market update in connection with the ongoing legal dispute regarding the Company's Sukuk Al Mudarabah.

The Company announces that between 29 January and 1 February 2018, the English High Court, under Judge Leggatt considered applications by the Company and Blackrock. Judge Leggatt refused substantially all of Dana Gas' arguments and applications as follows:

- (a) He refused to set aside under CPR 39.3 his judgement of 17 November 2017 on the preliminary English law issues in which he had declared that under English law the Purchase Undertaking is valid and enforceable in accordance with its terms. The said judgement of 17 November was given when Dana Gas had been prevented at the time from attending the trial by an anti-suit injunction previously issued by the Sharjah Court.
- (b) He refused Dana Gas' application that the issues of UAE law relating to the legality and validity of the umbrella Mudarabah Agreement should be considered and determined by the UAE Courts, even though the Mudarabah Agreement is governed by UAE law and subject to the jurisdiction of UAE courts, and is currently being tried before the Sharjah UAE Federal Court. Against Dana Gas application, Leggett J. decided that the issues of UAE law relating to the Mudarabah Agreement shall be considered and determined by the English High Court and not by the UAE Sharjah Federal Court.
- (c) He refused Dana Gas's application to continue the protective injunction previously granted by the English High Court on 5 July 2017 to prevent the Trustee from enforcing payment of the Exercise Price and ordered that the injunction shall be discharged prospectively with effect from 29 March 2018. However Leggatt J. also ordered that until resolution of the remaining issues in dispute in these proceedings or further order, the Trustee may not, upon receipt of the Exercise Price or any part thereof, make payment of that sum or any part of that sum to any Certificateholder.
- (d) Leggett J. granted a final anti-suit injunction permanently restraining Dana Gas from pursuing the proceedings commenced before the Sharjah Court on 13 June 2017 and to cause them to be terminated without any judgement or order being made in relation to any of the issues in respect of the Dispute, and also to cause the Sharjah Injunction granted by the UAE Federal Sharjah Court on 13 June 2017 injunction restraining the Trustee and Delegate from taking legal or enforcement action against the Company until final determination of the case, to be irrevocably discharged and terminated (the "UAE Proceedings").



- (e) Leggatt J. also ordered the Company to obtain the discharge of the similarly protective BVI injunction granted to Dana Gas on 13 June 2017, as well as the discontinuance of the BVI proceedings.
- (f) As Leggatt J. further refused to grant the Company permission to appeal each of his above decisions. Dana Gas will nevertheless file with the English Court of Appeal an application for permission to appeal these decisions. In the meantime, Leggatt J. has stayed his decision that the Company terminates the UAE Proceedings pending determination of the Company's application for permission to appeal that order.
- (g) Dana Gas and its English lawyers believe that the judgement and orders made by Leggatt J. have not given due consideration to the Company's strong arguments regarding determination of foreign law issues particularly that the UAE Courts are the appropriate forum to determine the UAE law issues which are closely intertwined with Shari'ah principles which the UAE Courts have to apply as a matter of public policy and public order. Whether any payment has to be made under the Purchase Undertaking will depend on the determination of the UAE law issues and the application of the UAE Mudarabah provisions. Determination of those issues by the English courts would be against the express intention and agreement of the parties to the contract to refer those matters to UAE law and UAE Courts.

For the English Court orders, please refer to the Company's website.

[Sukuk Dispute – A](#)

[Sukuk Dispute - B](#)

ENDS.

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About Dana Gas

Dana Gas is the Middle East's first and largest regional private sector natural gas Company established in December 2005 with a public listing on the Abu Dhabi Securities Exchange (ADX). It has exploration and production assets in Egypt, Kurdistan Region of Iraq (KRI) and UAE, with 2P reserves exceeding one billion boe and average production of 67,600 boed in 2017. With sizeable assets in Egypt, KRI and



the UAE, and further plans for expansion, Dana Gas is playing an important role in the rapidly growing natural gas sector of the Middle East, North Africa and South Asia (MENASA) region. Visit: www.danagas.com