

Clean Energy For the MENA Region's Tomorrow



Dana Gas Analyst Presentation

2013 Preliminary Results
03 February 2014

Forward Looking Statement

This presentation contains forward-looking statements which may be identified by their use of words like “plans,” “expects,” “will,” “anticipates,” “believes,” “intends,” “projects,” “estimates” or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, product development, market position, expenditures, and financial results, are forward looking statements.

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Presentation Outline

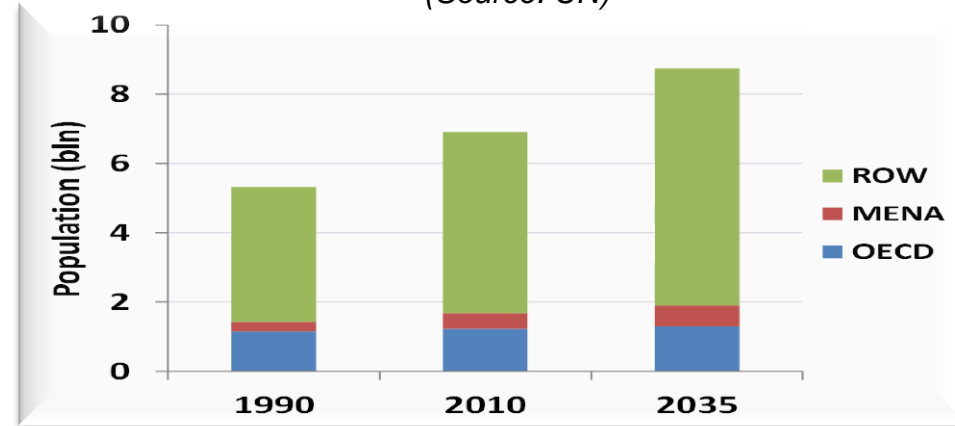


- The MENA Region and its relevance
- Dana Gas: Proven Track Record and 2013 Performance
- Financial Performance
- Country Operations
- Summary

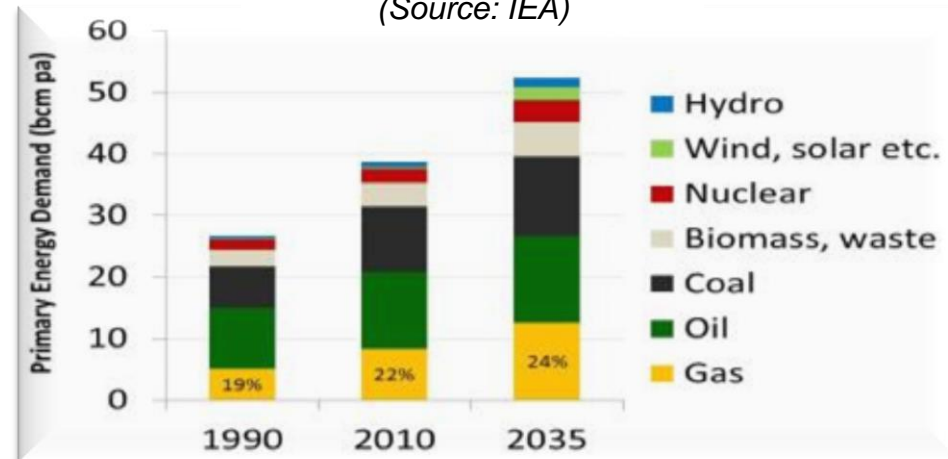
Natural Gas fast becoming the Fuel of Choice for the growing energy demand in MENA and else where

- Growing economies fueling demand for energy
- 70% less CO2 than coal in power generation (old plants)
- Small physical footprint versus coal, nuclear or renewables
- Able to operate near full capacity reliably all the time
- Increasing pan-geographic pipeline connectivity and growing LNG trade addressing cross-border product demand
- Globally, in 2012 c.25 bn boe of discoveries were made, of which, c.70% were natural gas (100 TCF)
- 250+ years of conventional / unconventional reserves life

Global Population Trends
(Source: UN)

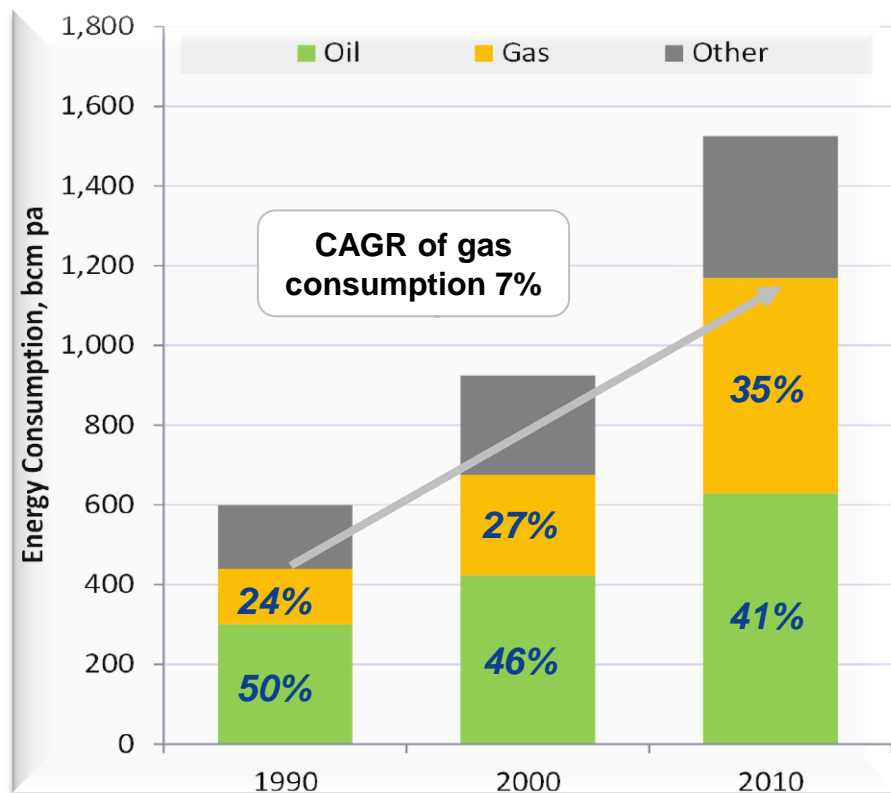


Global Primary Energy Demand
(Source: IEA)

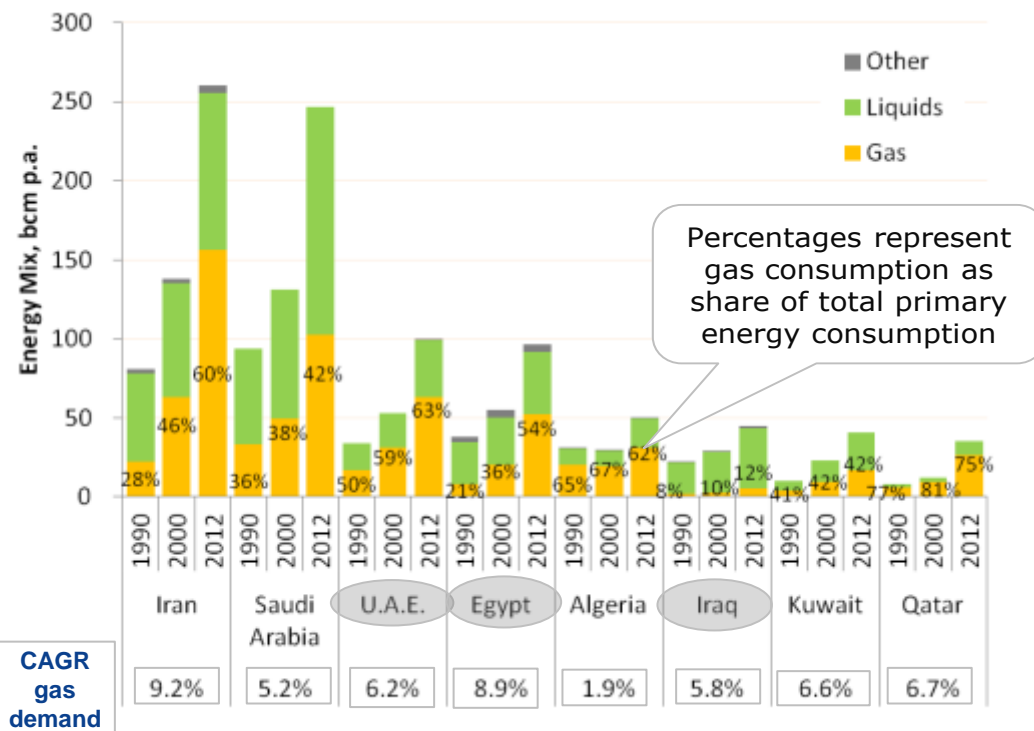


Fast growing domestic demand in MENA

MENA Primary Energy Demand
(Source: EIA)



MENA Country Primary Energy Mixes³
(Source: BP Statistical Review 2013 & IEA Data)



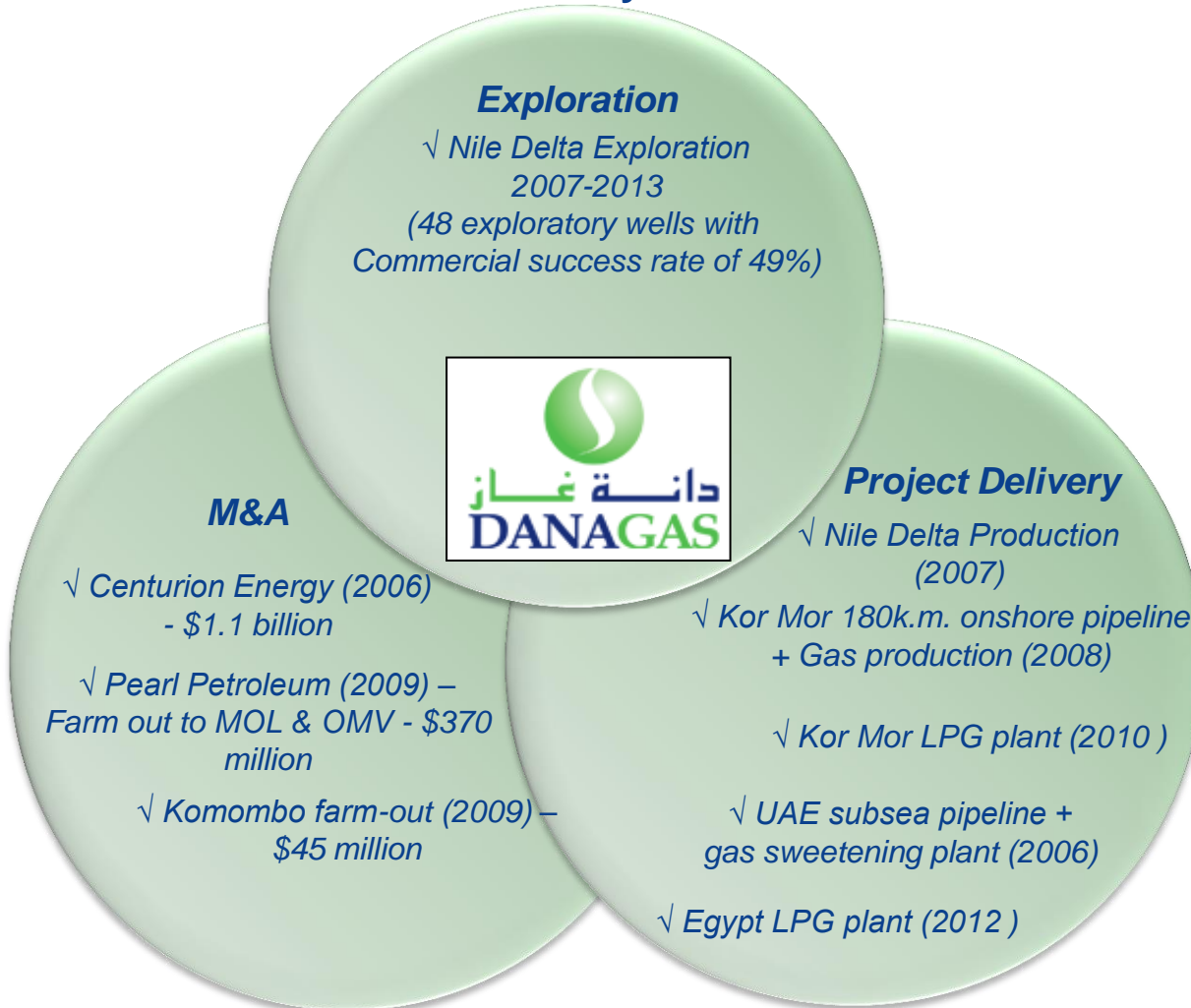
- Growing primary energy needs boost gas demand
- There is a switch from oil to gas in local economies as they preserve oil for exports

Dana Gas Current operations

Dana Gas: 2013 Performance Highlights

Proven track record based on top class exploration, accelerated development and inorganic opportunities

Value Delivery Model



- **Drill bits success**
 - Nile delta exploration success
 - Reserve growth
- **M&A**
 - Egypt entry: acquisition of Centurion Energy
 - KRI partnership structure in Pearl Petroleum for long term gas monetisation
 - Komombo farm out
- **Project Delivery**
 - Timely completion and on budget on key projects
 - Production build up in Egypt
 - Fast track KRI development
 - Nile Delta development (best-in-class discovery-to-gas of 12 months; Allium production commenced in 3 months)
 - Managed investments in sync with receivables
- **Major financial transactions**
 - IPO in 2005 attracting \$78 billion
 - \$ 1 billion Sukuk issue in 2007
 - \$ 850 million Sukuk restructuring in 2013

2013: Several Achievements Despite Several Challenges

- Higher average production of 64,700 BOEPD vis-à-vis 2012's average of 59,800 BOEPD - Egypt production at 37,100 BOEPD higher by 14% on a Y-o-Y basis, while KRI production remained flat at 27,600 BOEPD
- Higher annual production drives revenues which increase to \$ 652 million - Q4 2013 revenues rose sharply to \$ 186 million vis-à-vis Q4 2012 revenue of \$ 151 million
- Successfully drilled and tested three development wells during the year and announced its 25th discovery with the Begonia-1 well in the Nile Delta.
- GCA estimates the gas initially in-place volumes (unrisked*) for assets in Kurdistan – Dana Gas estimates significant resource upside in both fields
- Cash balance higher by 24% at \$ 204 million supported by \$ 53 million received from Egypt
- Total collections of \$ 203 million (\$ 134 million from Egypt and \$ 69 million from KRI - total trade receivables at \$ 800 million
- Increase in royalty payments, depreciation, depletion and amortization expense in Egypt and lower sale of LPG (KRI) impact net profit which was \$ 156 million

Dana Gas: 2013 Financial Performance

Financial Highlights: Q4 2013 vs Q4 2012

(In \$ million)	Q4 – 2013	Q4 – 2012	Percentage Change
Gross Revenue	186	151	23
Net Profit	35	31	17
Basic EPS (AED fils)	1.9	1.7	12

- Higher production in Egypt (increase of 22%) and resumption of LPG sales in Kurdistan, leading to higher revenue in Q4 2013
- Net profit was higher by 17% compared to 4Q 2012 due to positive impact of higher production from Egypt and higher sale of LPG in Kurdistan

2013 Y-o-Y Financial Performance

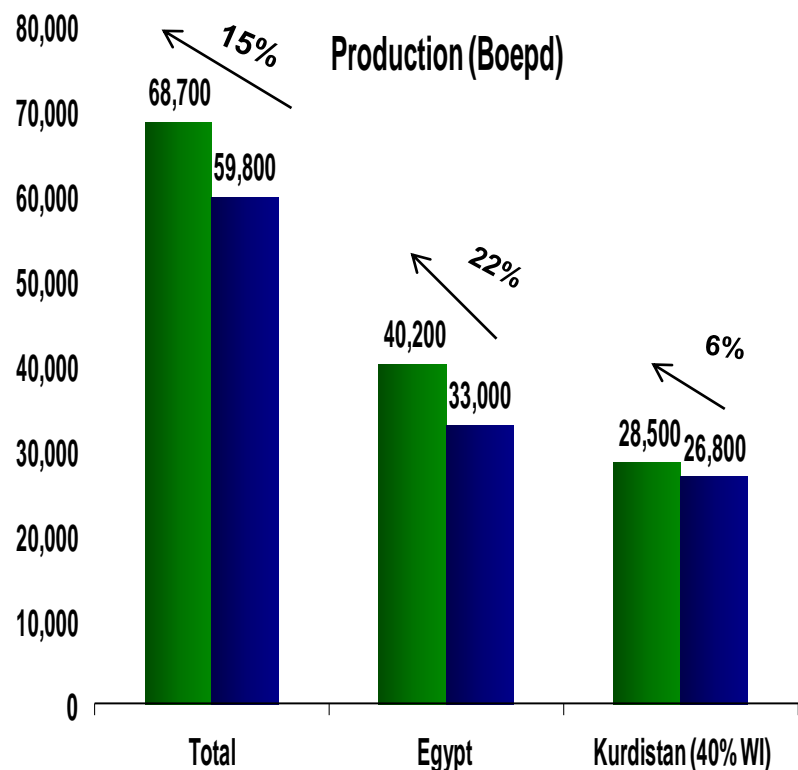
(In \$ million)	2013	2012	Percentage Change
Gross Revenue	652	633	3
Net Profit	156	165	(5)
Basic EPS (AED fils)	8.6	9.1	(5)

- Gross revenue higher by 3% due to an 8% increase in production
- Net profit for the year was down by 5% to \$ 156 million.
- Higher production and lower capital expenditure resulting in increase in royalty payments to the Egyptian government, higher depreciation, depletion and amortization expense in Egypt. Profitability in KRI impacted by lower sales of high-margin LPG on a full year basis

Significant Increase in Production on a Y-o-Y basis

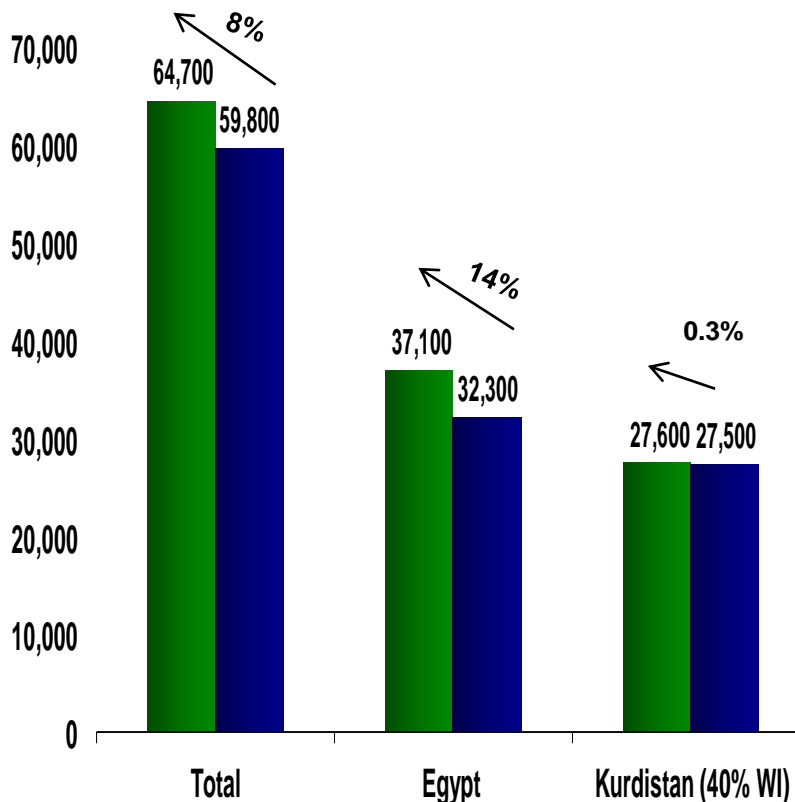
Q4 2013 Vs Q4 2012

■ 2013 ■ 2012



Includes Gas
production of
21,600 Boepd
(Q412 – 21,200
Boepd)

2013 Vs 2012

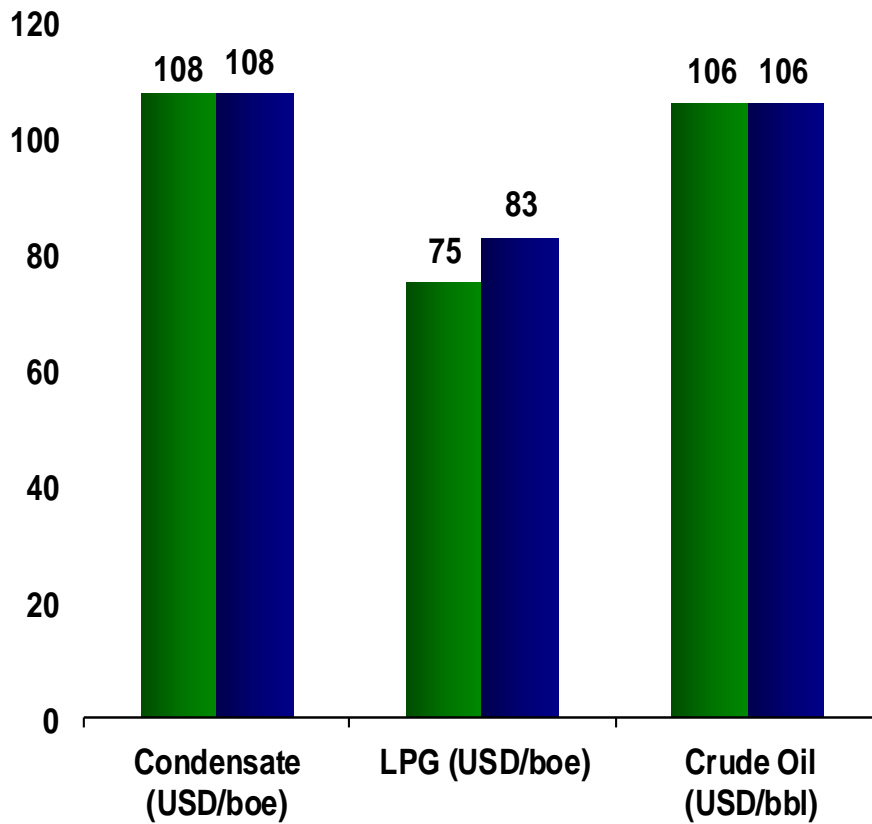


Includes Gas
production of
21,500 Boepd
(2012 – 20,700
Boepd)

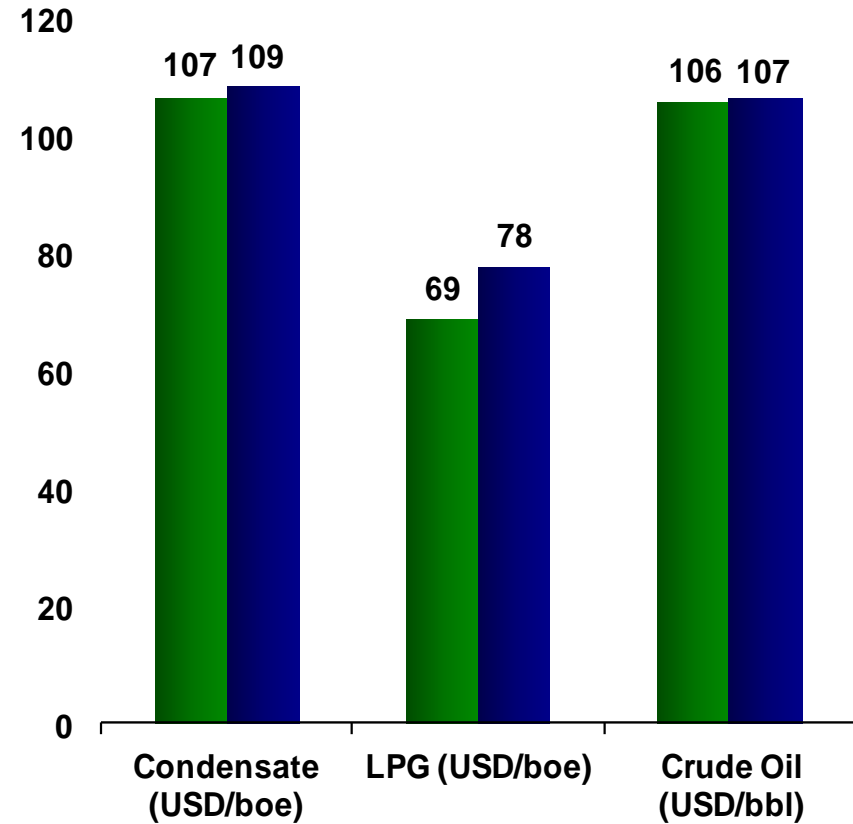
Average Realized Prices

Q4 2013 Vs Q4 2012

■ 2013 ■ 2012



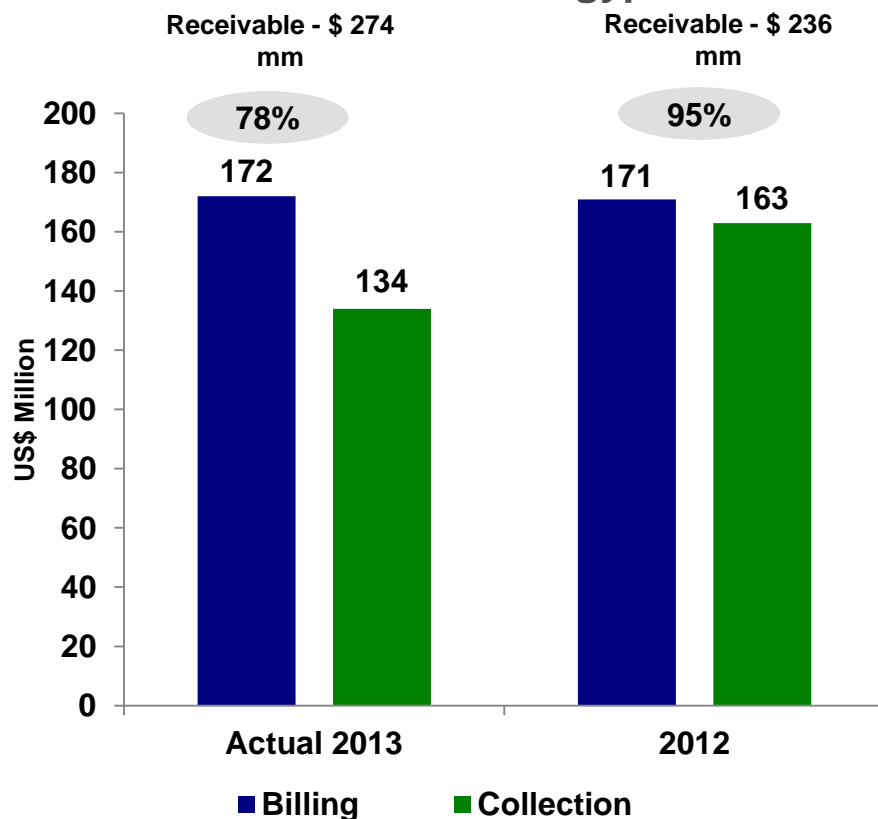
2013 Vs 2012



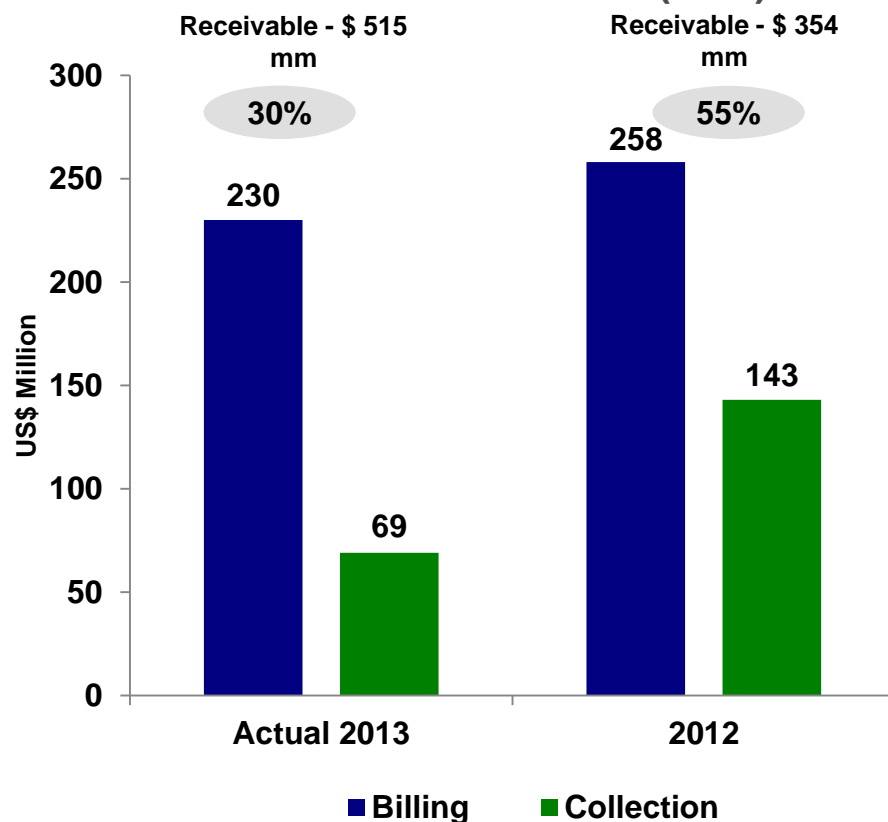
* Liquids benchmarked to Brent

Billing & Collection (all figures in US\$ 'mm)

Dana Gas Egypt



Pearl Petroleum (40%)



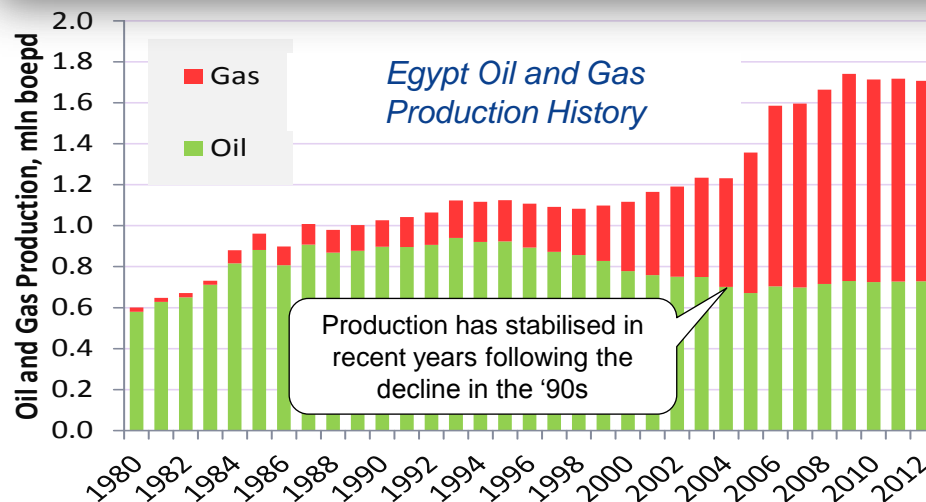
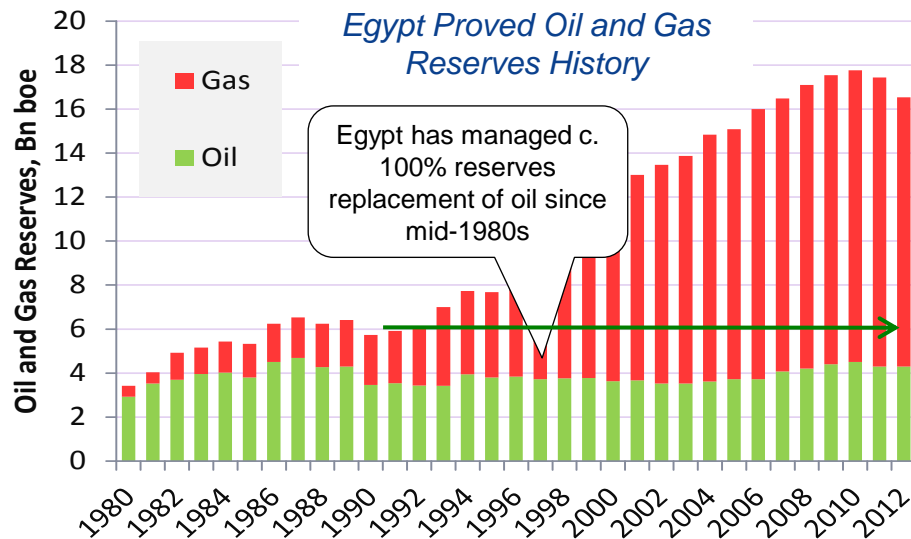
Note: % %age calculated as collections divided by net revenue

Dana Gas: Country Business Highlights

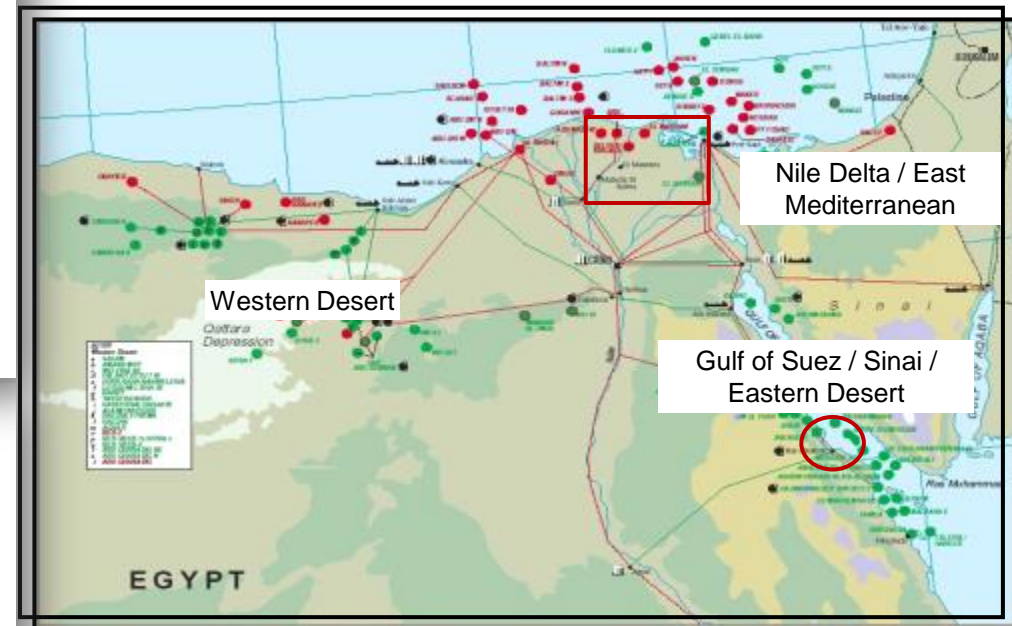
Egypt: Business Environment

- Lack of investments resulting in a declining rate of gas exports whilst the domestic consumption of gas has been increasing
- Since the recent change of government in mid-2013, Saudi Arabia, Kuwait and the United Arab Emirates have promised Egypt a total of \$12 billion in grants, interest-free loans and petroleum products
- In December 2013 the Ministry of Petroleum paid \$1.5 billion in partial repayment of the state's debt to foreign oil companies. Accordingly, Dana Gas has received US\$ 53 million payment from the total outstanding receivables
- The delay in receivables payment has led to a reduction in Dana Gas capital investment in Egypt in 2013. Nevertheless, Dana Gas Egypt managed to enhance production on a year-on-year basis

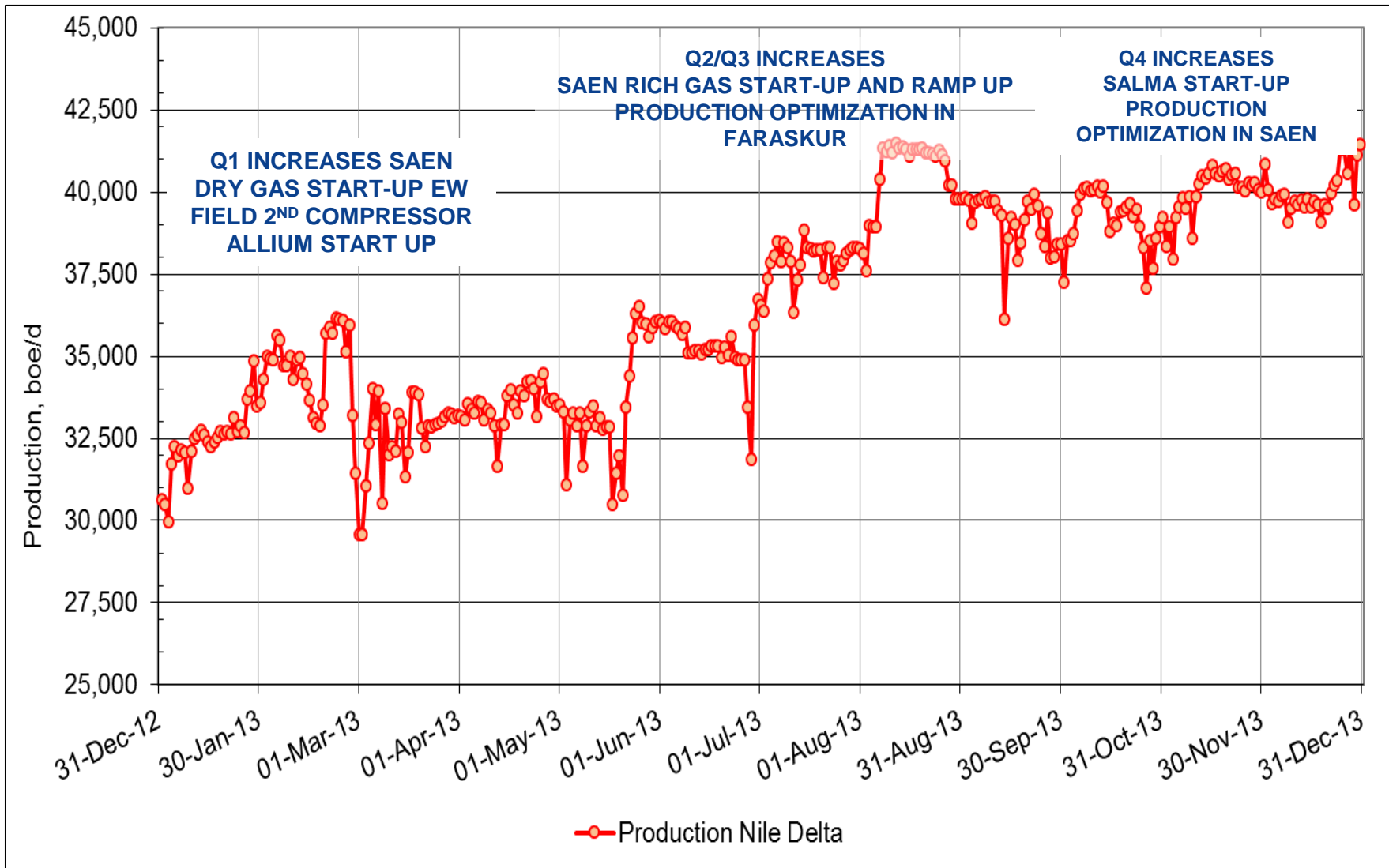
Meaningful position in rich hydrocarbon zones in Egypt



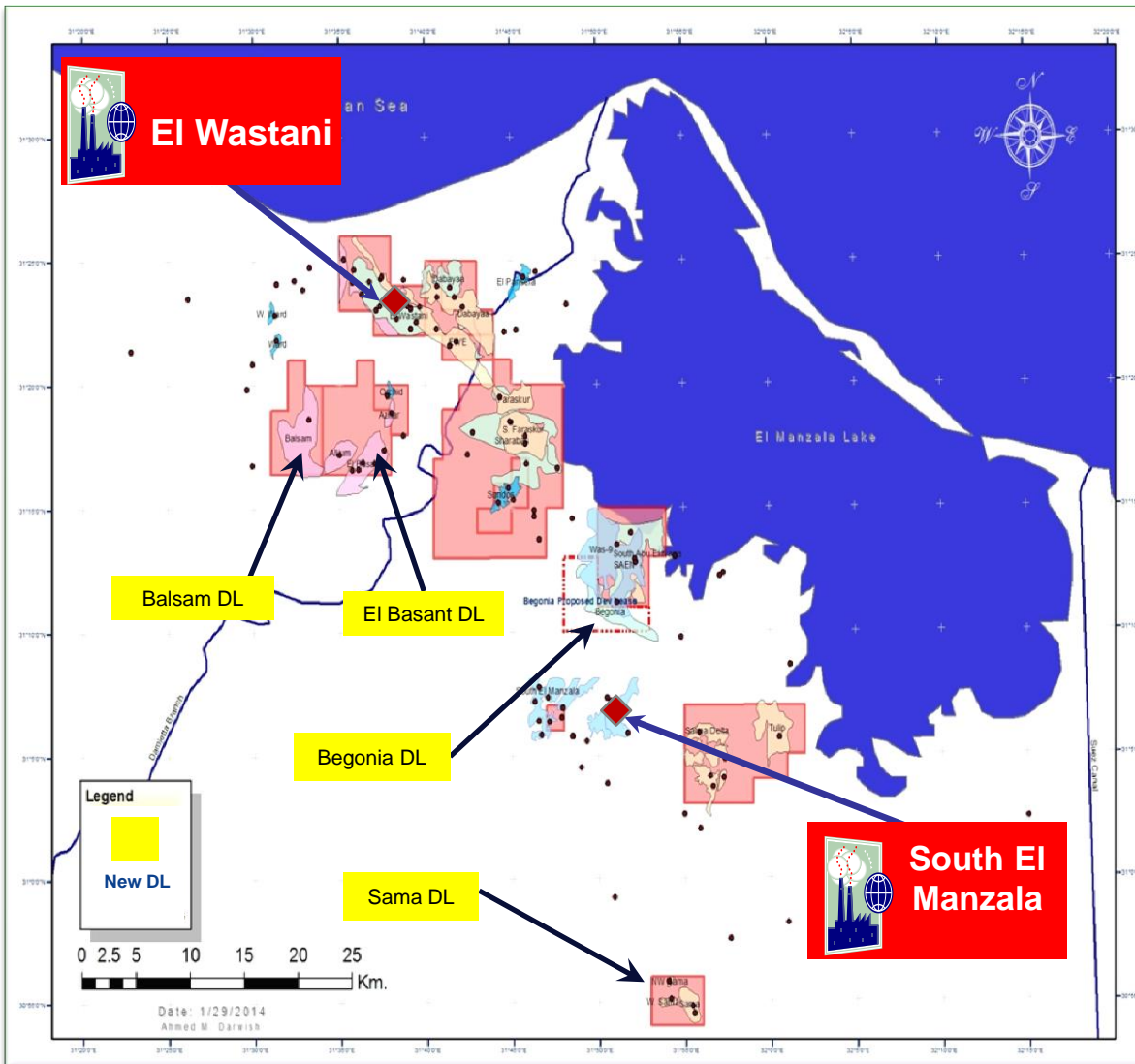
Dana Gas focus area in Egypt



Consistent Increase in Nile Delta Production



Egypt: Nile Delta Operations



New Development Leases:

- Balsam (new)
- Begonia (under EGAS discussion)
- El Basant (Amendment)
- Sama (Amendment)

Production Rate:

- 39.8 kboepd (Q4 2013 Avg)

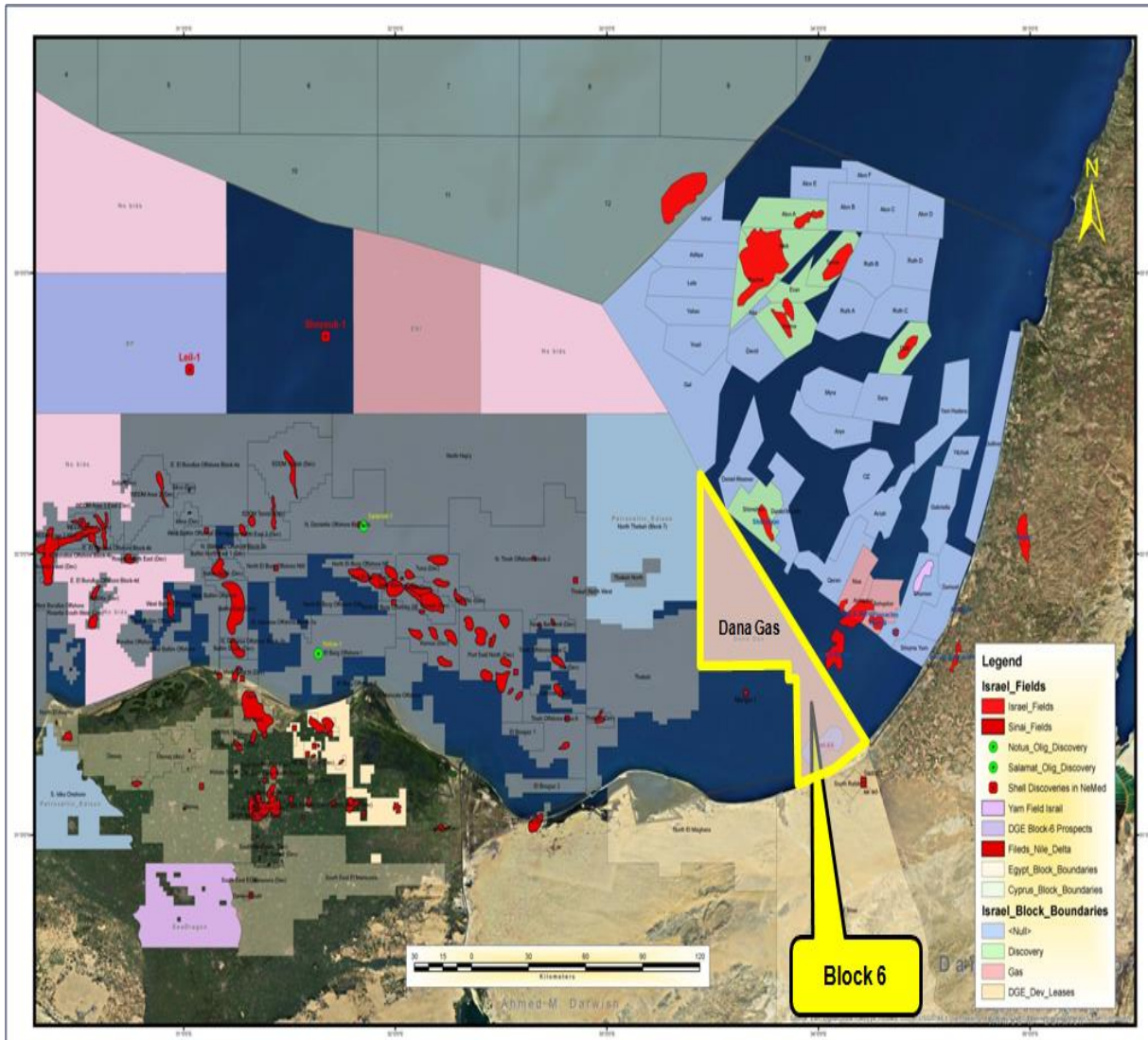
Drilling 2013:

- 5 wells (1 Expl “ Begonia discovery”
+1 App. + 1 Dev + 2 sidetrack)

Projects in Progress/ Planned:

- EW Capacity De-bottlenecking
(200mmcf/d of raw rich gas)
- El Basant Compression Station
- Salma/Tulip tie-in (completed Q3,13)
 - (Phase 1): (4 wells)
 - (Phase 2): 6 wells

Block 6 – North El Arish Offshore Opportunity

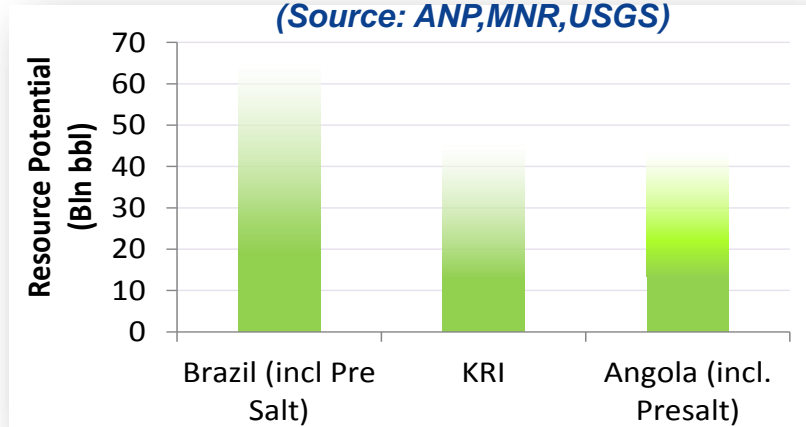


- Awarded :April 2013
- Area : 2980 sq km
- Expected final governmental ratification Feb 2014
- Seismic acquisition in 2014
- 1 well commitment in phase 1
- Prospective acreage adjacent to prolific offshore gas producing fields

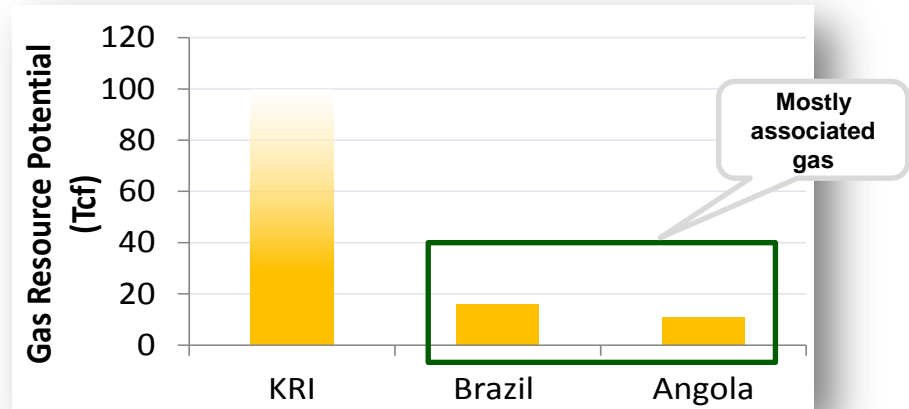


Largest Investor and gas producer in high-potential Kurdistan Region of Iraq

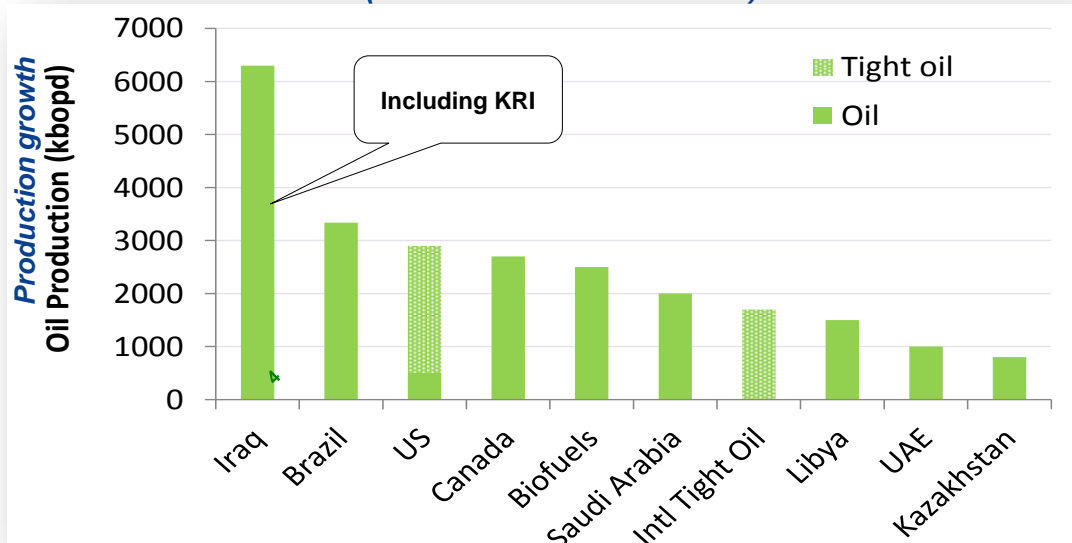
Oil Resource Potential
(Source: ANP, MNR, USGS)



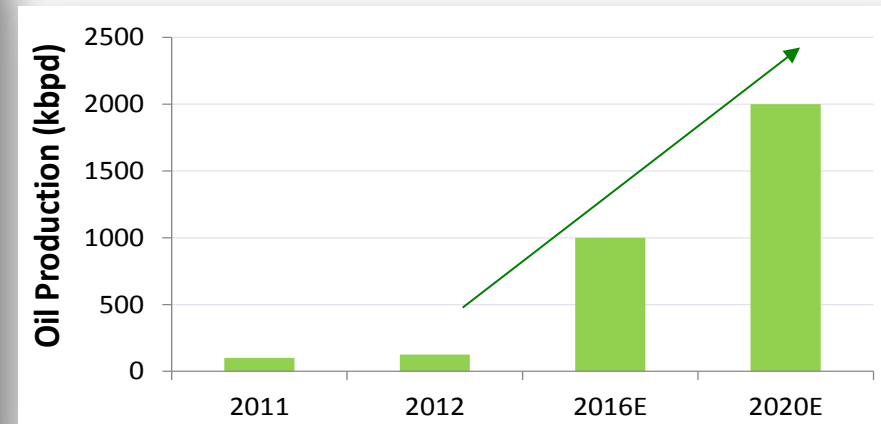
Gas Resource Potential
(source: MNR, ANP, Songas)



Top 10 sources of production growth in 2012-2030
(Source: IEA & Woodmac)



KRI production growth
(source: KRG, MNR)



Operations in Kurdistan Region of Iraq



- Total net production averaged at 27,600 BOEPD during 2013:
 - 130 MMSCFD of natural gas
 - 5700 bbl/d and 325 bbl/d of condensate and LPG, respectively
- Completed repairs to LPG loading bay resulting in restoration of the facility with capacity of 900 MT
- Production of LPG remained low since restoration due to under lifting by the MNR of Kurdistan Region of Iraq

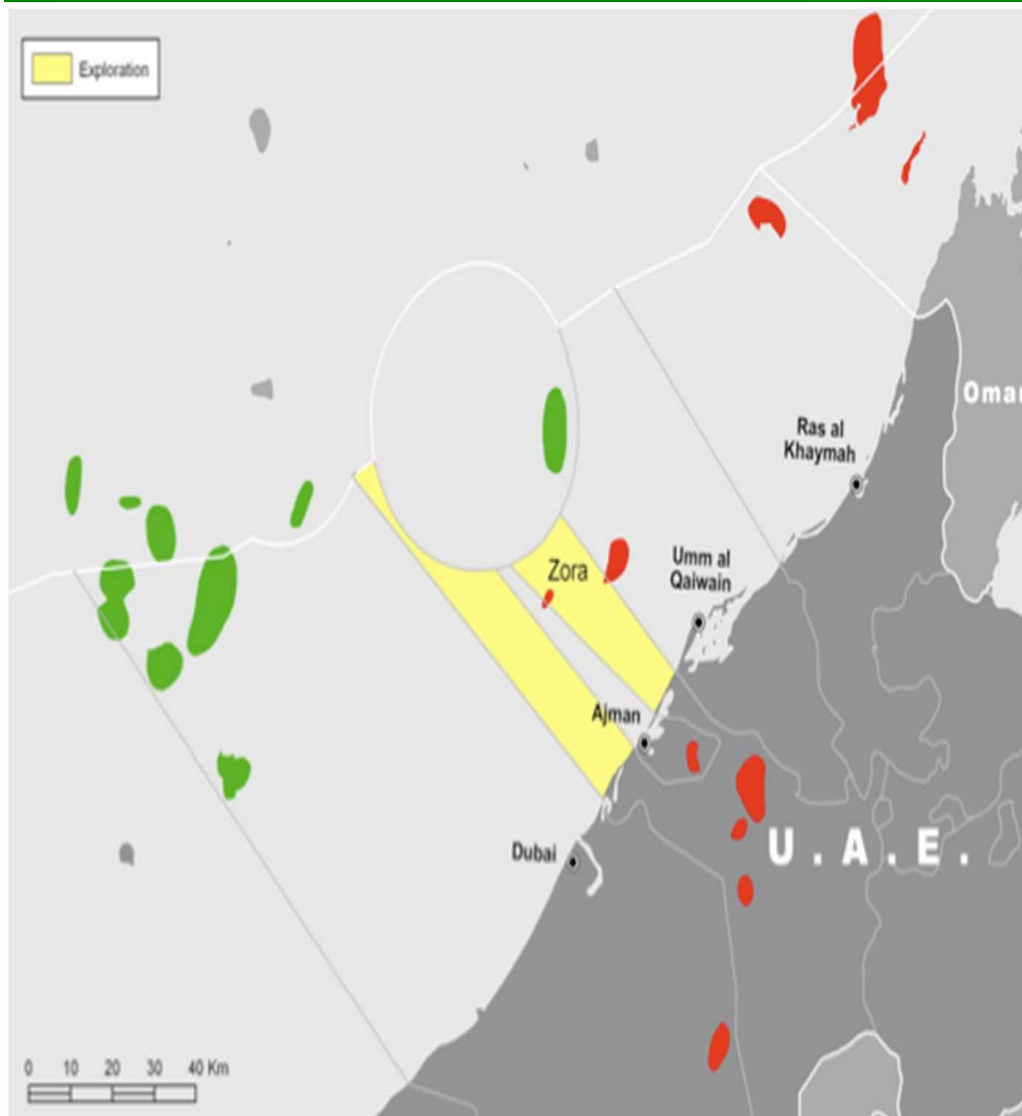
Dana Gas Kurdistan Assets – Substantial Resources Upside*



- Pearl Petroleum appointed Gaffney, Cline & Associates Limited (GCA), to provide an estimate of hydrocarbons in-place as at 31st December, 2012 for both the Khor Mor and Chemchemical fields
- GCA have estimated the gas initially in-place volumes (unrisked*) for 12 Khor Mor and 3 Chemchemical fault blocks
- Dana Gas has calculated an aggregated arithmetic sum Best Estimate (P50) volume of 22 Tscf for Khor Mor and 30 Tscf for Chemchemical fields. Dana Gas' 40% share of these Best Estimate in-place volumes for Khor Mor and Chemchemical combined corresponds to 20 Tscf
- The GCA report also indicates that both fields have considerable additional upside potential
- GCA report also stated that certain Khor Mor fault blocks may contain oil instead of gas and determined oil initially in-place volumes (unrisked*) for these individual blocks
- Dana Gas has calculated an aggregated arithmetic sum Best Estimate (P50) in-place oil volume (unrisked*) of around 1.8 billion barrels, in place of around 3 Tscf of gas in these blocks

** Note that a risk factor accounting for geological and commercial uncertainties has not been assessed or applied at this time. However, both fields are surrounded by producing oil and/or gas fields which calibrates and reduces the geological and reservoir risks. The reported hydrocarbon volumes are estimates based on professional judgment and are subject to future revisions, upwards or downwards, as a result of future operations or as additional information becomes available.*

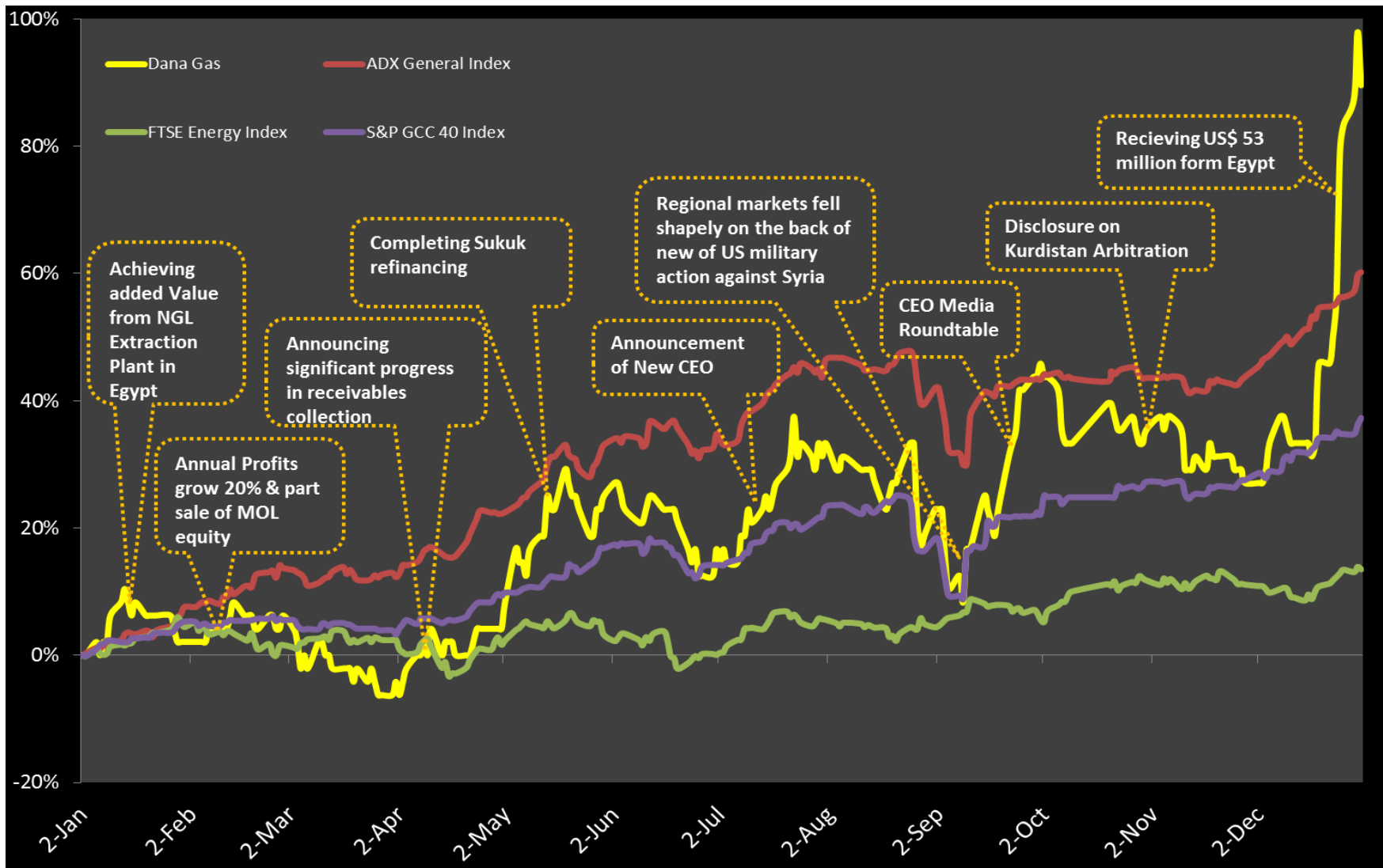
UAE: Zora Project Update



- Project Management team on board
- Platform fabrication and loadout contract awarded in November 2013 to ADYARD
- Work in progress for the following:
 - Contract for platform transportation and installation
 - Contract for offshore & onshore pipeline procurement and installation
 - Contract for onshore gas treatment plant
 - Award of drilling services and securing the drilling rig
- **Project on track for first gas in Q1 2015 with capacity of 40 mmscfd**

Summary

DG Outperformed All Major Global Benchmarks



Summary

- Track record of project delivery and HSSE performance across geographies
- Increase in uplift of LPG in KRI following repairs to the loading bay a positive for future profitability
- Drilling success in 2013 and Block 6 in Egypt and the commencement of the Zora project and provide visibility for future potential
- Review of Kurdistan assets provide for substantial resource upside
- Recent requests for exchanging convertible Sukuk to equity positively helps lower debt obligation. Increase in cash balance positions the company for prudent growth
- Taking a cautious approach towards capital investments in sync with cash collections - priority given to adding reserves and replacing production

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