

**Clean Energy For the MENA
Region's Tomorrow**



Dana Gas Equity Investors Presentation

June 2014

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.

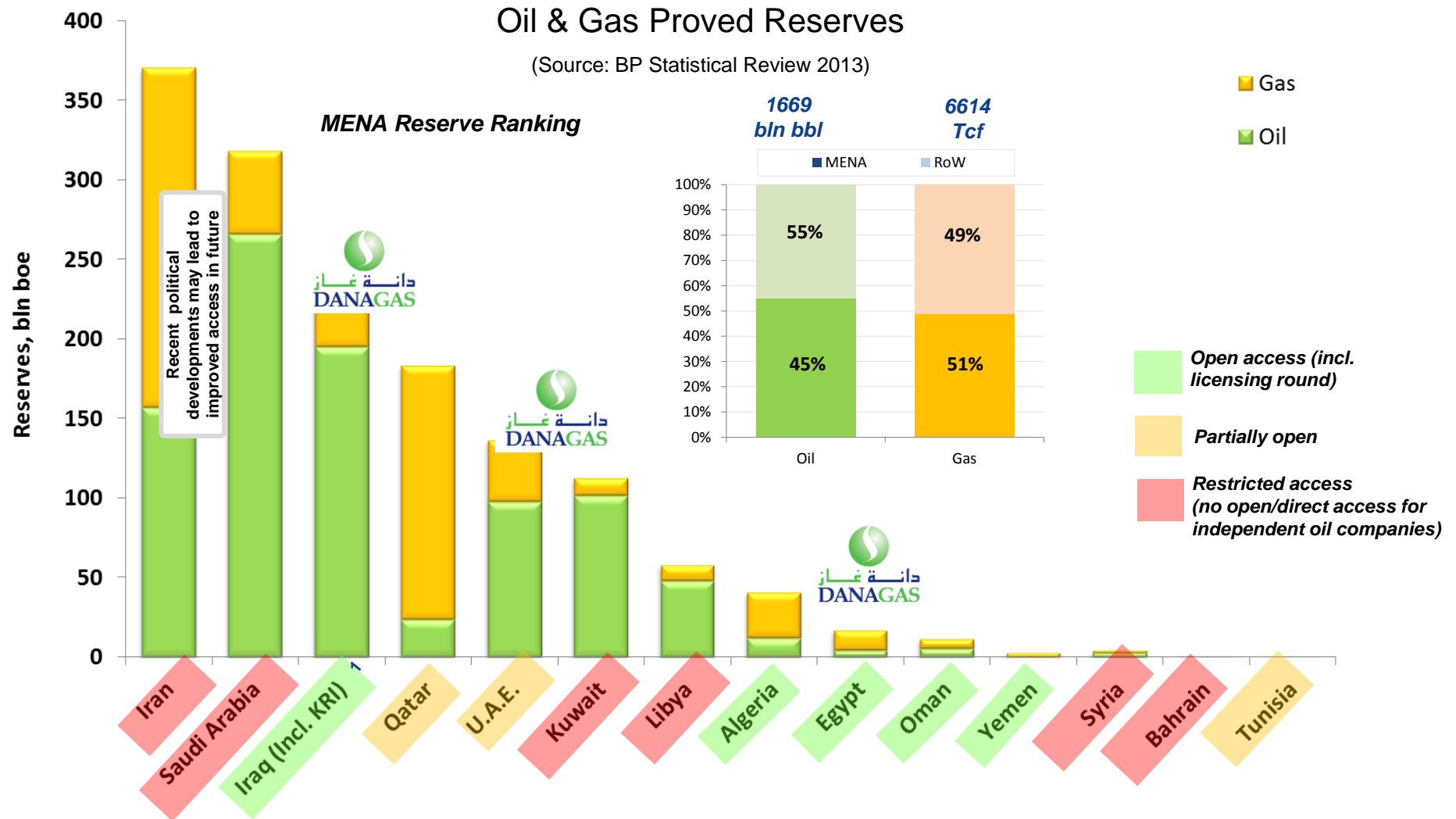
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Presentation Outline

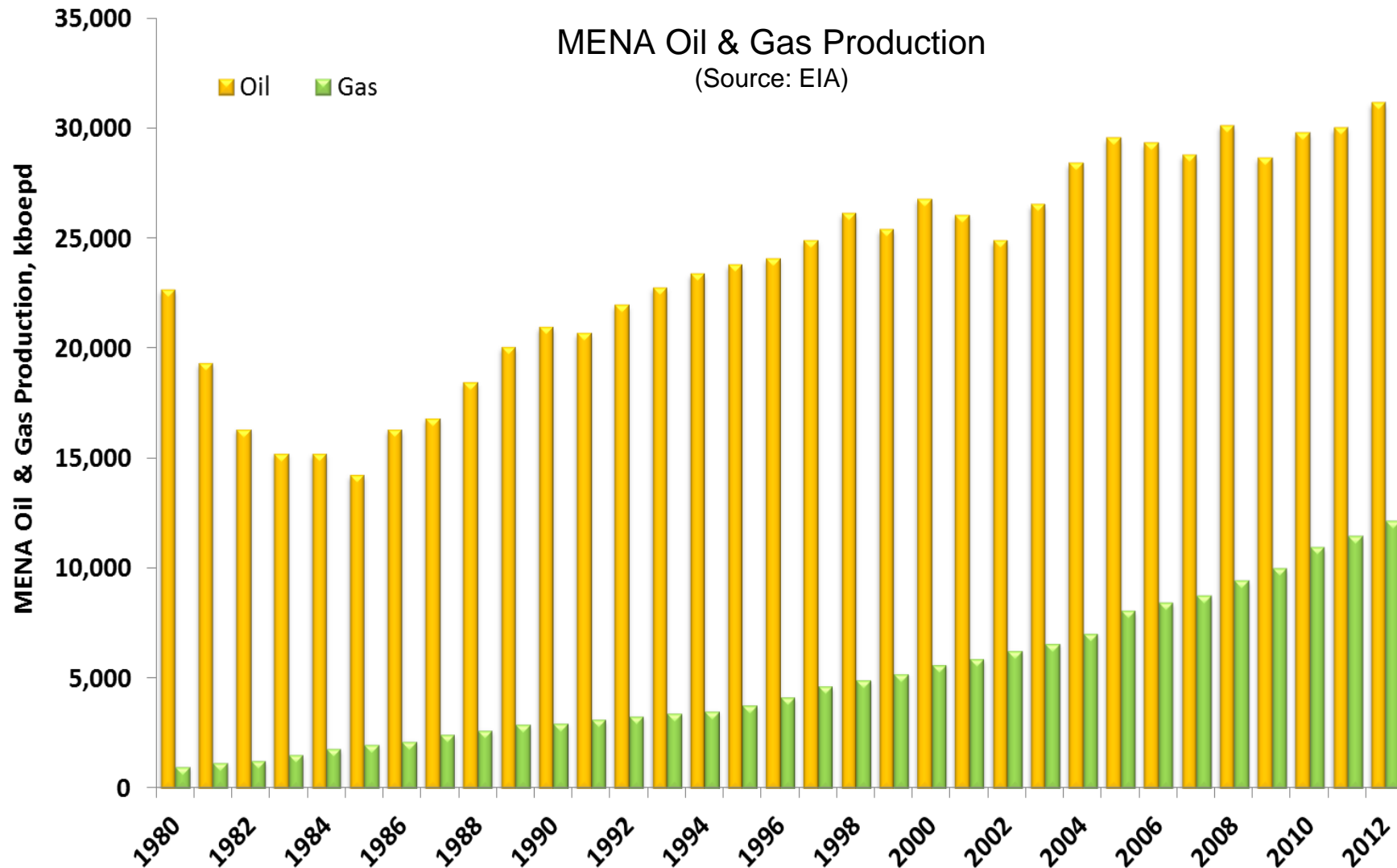


- MENA Opportunities
- Dana Gas – Introduction and Profile
- Recent Performance
- Country Operations
- Valuations
- Summary

MENA region holds ca. 50% of global oil & gas reserves but with limited access. Dana Gas has presence in the large markets with open access



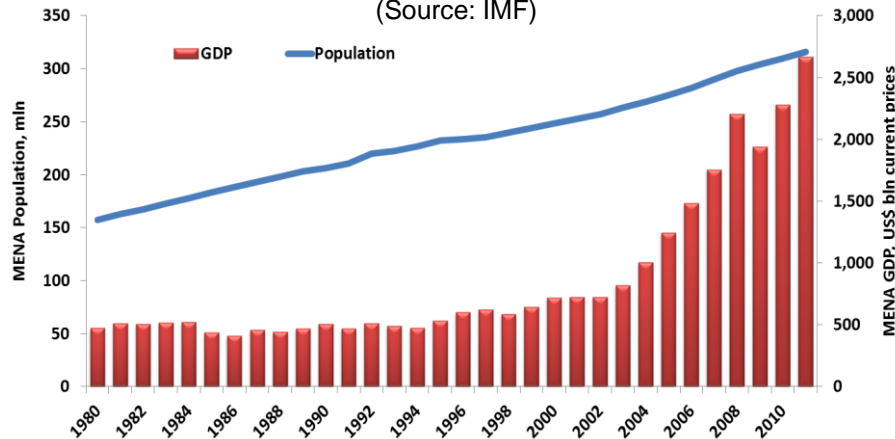
MENA oil & gas production has grown steadily since mid-80s. From 1990, gas production has grown 4x while oil production has grown 1.5x



Natural gas has become the dominant energy source for primary energy demand in the MENA region

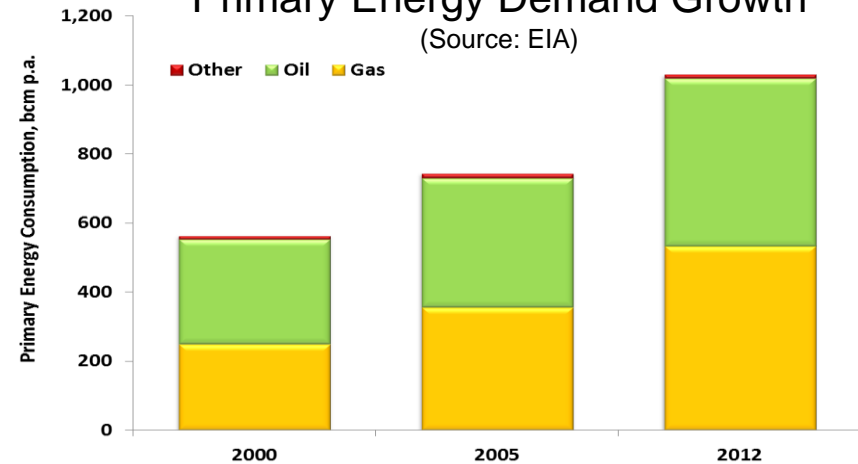
MENA GDP vs Population

(Source: IMF)



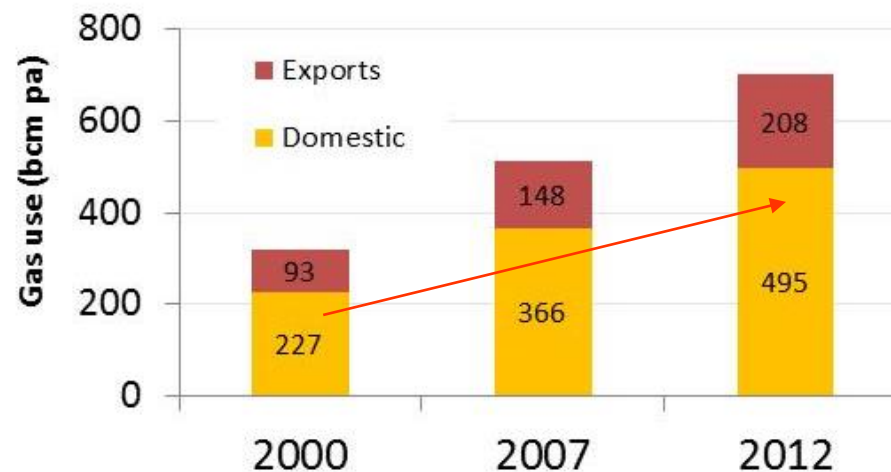
Primary Energy Demand Growth

(Source: EIA)



MENA Gas Consumption Pattern

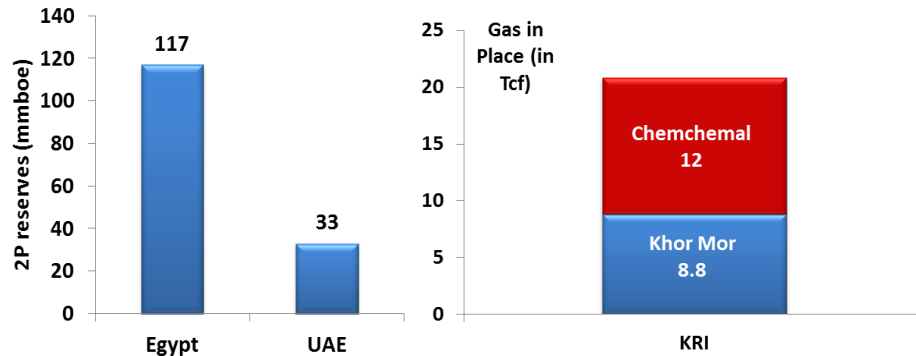
(Source: BP Statistics)



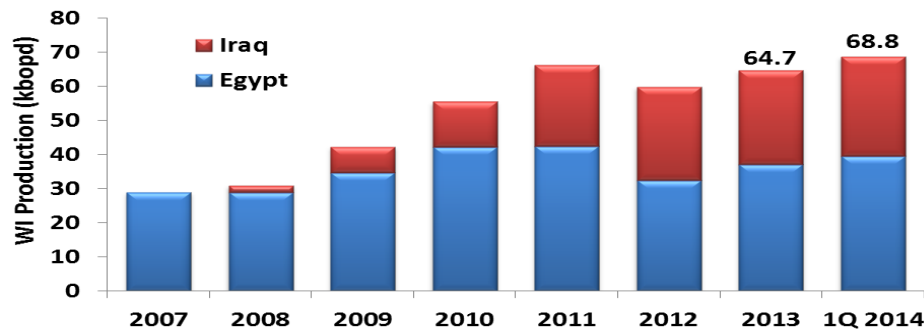
Nearly 70% of region's gas production is consumed within the region
Domestic gas use CAGR 6.7%

Given strong gas demand fundamentals and resource potential, Dana Gas is uniquely positioned to grow across the region

Reserve & Resources



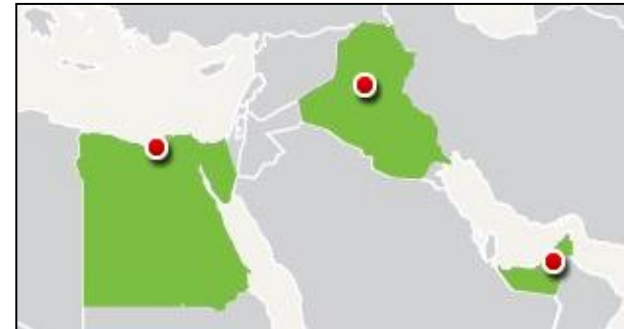
Production Profile



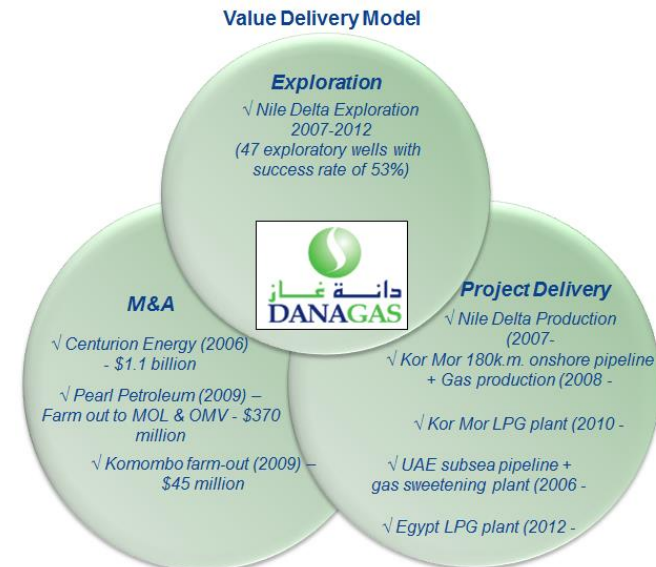
Mid Stream and Downstream asset

- EBGDCo – Liquid Extraction plant (LPG)
- UGTC & SajGas - Gas Transportation and Processing
- 35% in Crescent Natural Gas Corporation Limited (CNGCL) – Gas marketing

Dana Gas is operating at the heart of the world's largest hydrocarbon bearing region



Business Model across the gas value chain



Dana Gas: Independent E&P company listed on the ADX



- Dana Gas is a MENASA focused gas independent headquartered in the UAE
- Dana Gas is quoted in the UAE stock exchange (Abu Dhabi Securities Exchange).
Bloomberg: DANA:UH
- Shares outstanding: 6,816 million
Market capitalisation: approx. \$1.5 billion
Enterprise value: \$2.2 billion
- Net Debt/(Cash)¹: \$618 million (2014 Q1)
- Current Production: 68.8 kboed (2014 Q1)
- 2P Reserves² : 150 mmboe
- Strong Corporate Governance structure and a unique pan-MENA Board of Directors access to business opportunities in the world's largest hydrocarbon region

Dana Gas is operating at the heart of the World's Largest Hydrocarbon region



Board of Directors consisting of luminaries from the MENA region providing unparalleled access to key markets



Dr. Adel Al Sabeeh
Chairman
KUWAIT

Former Oil Minister of
Kuwait, Chairman & MD of
National Industries Company
(NIC)



Dr. Tawfeeq Al Moayed
Deputy Chairman
BAHRAIN

Chairman of T.A. Almoayed
& Sons W.L.L. and Chairman
of Almoayed Wilhelmsen



Hamid Jafar
UAE

Chairman of Crescent
Group of Companies



**Sheikh Sultan Bin Ahmed
Al Qasimi**
UAE

Deputy Chairman of Sharjah
Petroleum Council &
Chairman of Sharjah Pipeline
Co



Ahmed Al Arbeed
KUWAIT

Former Chairman of Board
of Directors of Kuwait Oil
Co. (KOC), GM of Seven
Sisters Company



Saeed Arrata
EGYPT

Chairman of Sea Dragon
Energy Company



Ziad Galadari
UAE

Founder & Chairman of
Galadari Advocates & Legal
Consultants



Majid Jafar
Managing Director of the
Board - UAE

CEO of Crescent Petroleum,
and Vice-Chairman of the
Crescent Group of
Companies



Rashid Al Jarwan
Executive Director
UAE

Former GM of ADGAS, Board
Director of Emirates General
Petroleum Corporation,
Oman Insurance Company
and DIFC Investments



Abdulaziz Al Jomaih
SAUDI ARABIA

MD of International
Investments of Aljomaih
Group

Board of Directors consisting of luminaries from the MENA region providing unparalleled access to key markets



Abdullah Al Majdouie
SAUDI ARABIA
Group President and Vice
Chairman of the Almajdouie
Group



Ahmed Al Midfaa
UAE
Chairman of Sharjah
Chamber of Commerce &
Industry, Expo Centre
Sharjah and Ruwad
Establishment in Sharjah



Varouj Nerguizian
UAE
ED & GM of Bank of Sharjah,
Chairman and GM of
Emirates Lebanon Bank SAL



Nasser Al Nowais
UAE
Chairman of Rotana Hotels,
MD of Abu Dhabi Trade
Centre



Salah Al Qahtani
SAUDI ARABIA
Vice Chairman of Abdel Hadi
Abdullah Al-Qahtani & Sons
Group of Companies



Khalid Al Rajhi
SAUDI ARABIA
CEO of Al-Rajhi Partners &
Al- Rajhi Holdings



Rashad Al Zubair
OMAN
Chairman of The Zubair
Corporation



Patrick Allman-Ward
UK
Chief Executive Officer
Dana Gas

International and Experienced Management Team



Patrick Allman-Ward
CEO

Over 30 years in the Oil & Gas business. Held senior roles at Shell as VP Exploration Asia-Pacific, CEO and Board Director of the South Rub Al Khali Company (JV between Shell, Total & Saudi Aramco). Width of experience spanning the entire upstream value chain from exploration to project management to delivering sustainable returns across multiple geographies in the Far East, Middle East, Europe and Africa



Mark Fenton
GM - Egypt

Over 28 years of experience in operating oil and gas companies, 17 years of which working with Shell International. He has experience in both offshore and onshore oil field developments, particularly in the Middle East. He has held a range of technical, management and executive positions in oil companies. He is Member of the Society of Petroleum Engineers (SPE)



Robinder Singh
IR Director

Over 27 years of international experience in Investor Relations, marketing and corporate communications, product management and business development with Reliance Industries, HSBC and Bank of America. Experienced in multiple billion dollar financial transactions; developing investor support for large scale capital raising programmes and a range of mergers and acquisitions

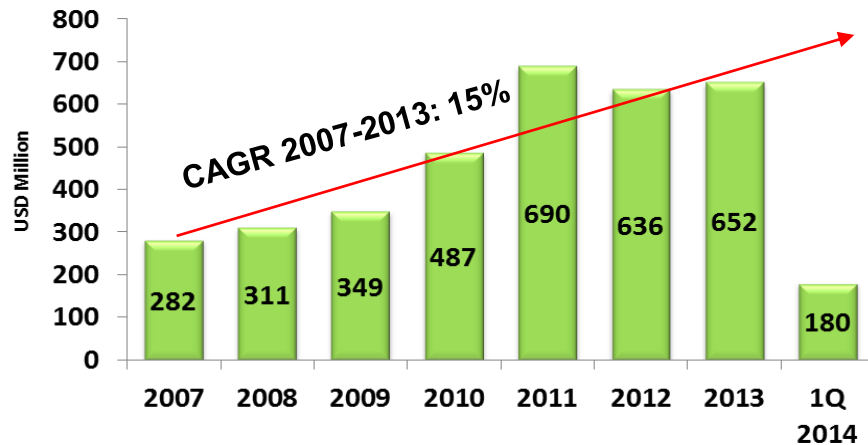


Duncan Maclean
**Commercial and Bus. Dev.
Director**

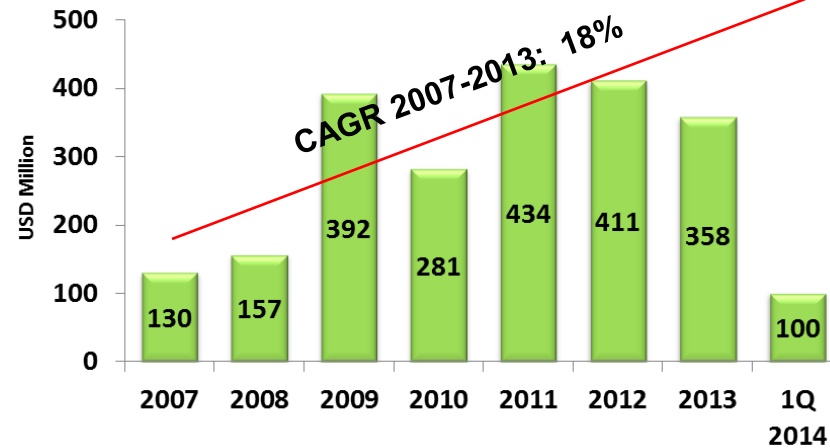
Over 20 years of experience in Oil & Gas. He has a commercial and legal background, was formerly the Global Head of Oil & Gas at a Top 10 global Law Firm. He has been a commercial and legal adviser to multi-national companies in the structuring and commercial arrangements for many of the iconic oil, gas and LNG projects globally

Consistent growth and delivery since 2007

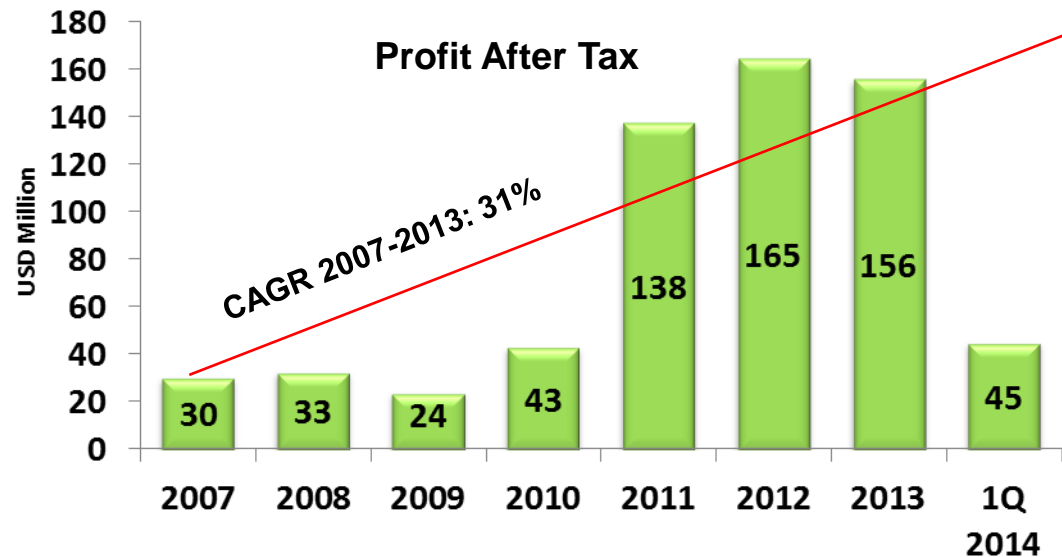
Revenue



EBITDAX



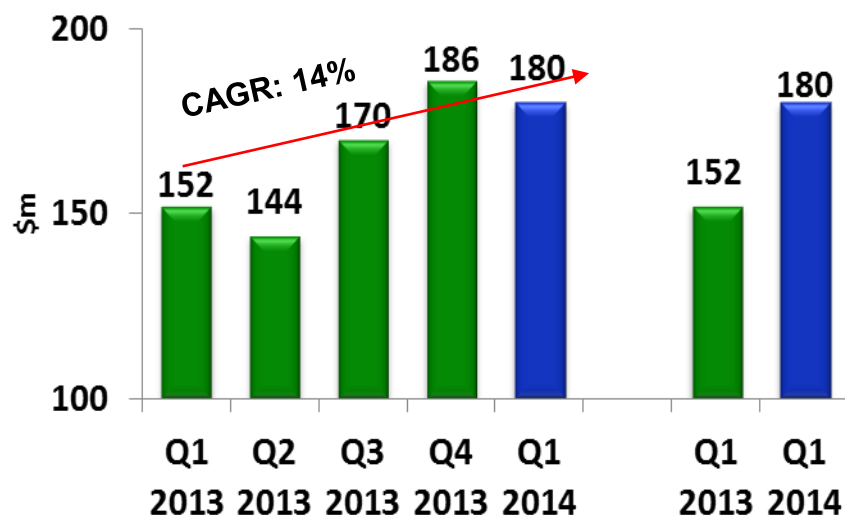
Profit After Tax



Dana Gas: Recent Performance Highlights

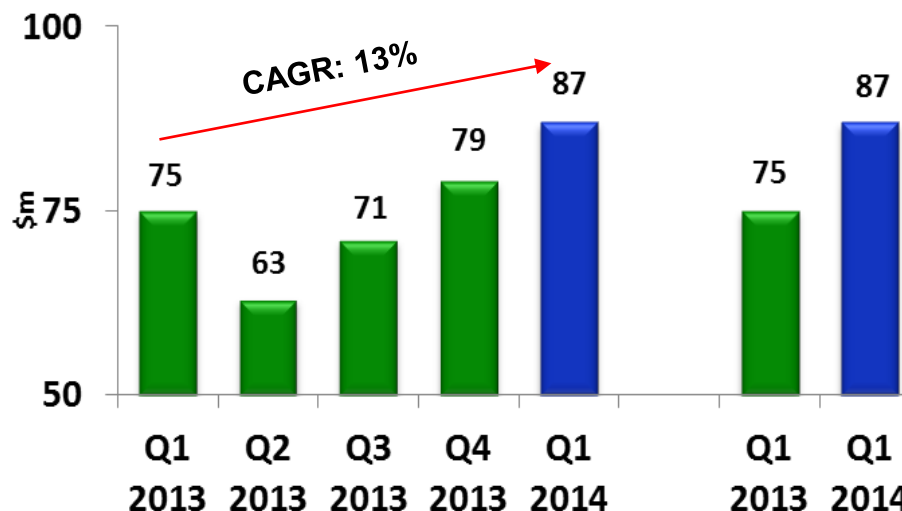
Strong performance trend (Q1 2014 vs Q1 2013) driven by sustainable volume growth and improving realisation

Revenue: Up 18% Y-o-Y



Significant growth in revenue due to higher production and increase in sale of LPG (1Q 2013 impacted by shutdown in KRI) despite the impact of planned shutdown in Egypt (9 days for El Wastani debottlenecking and upgrade)

Gross Profit: +16% YoY

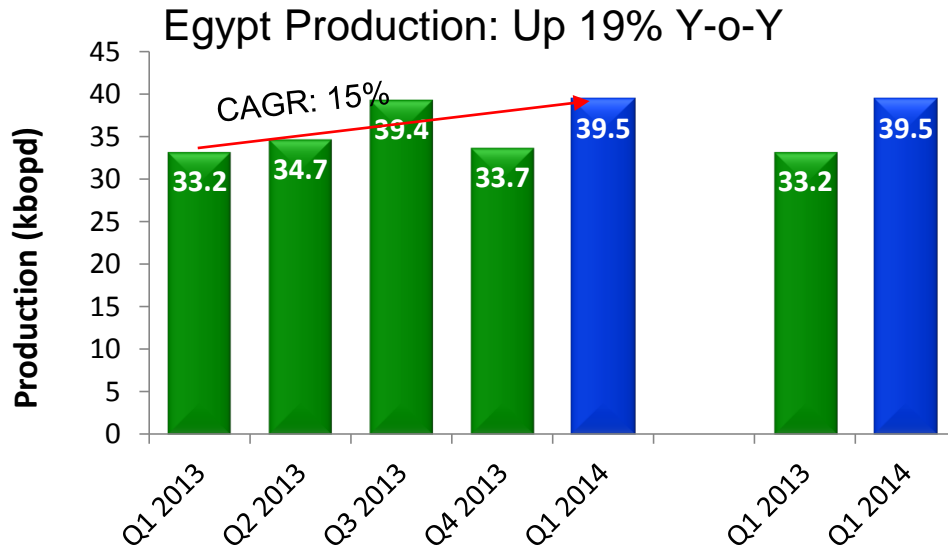


Sharp increase in gross profit of \$ 87 million, achieved mainly due to higher production in Egypt and higher sales of LPG in Kurdistan

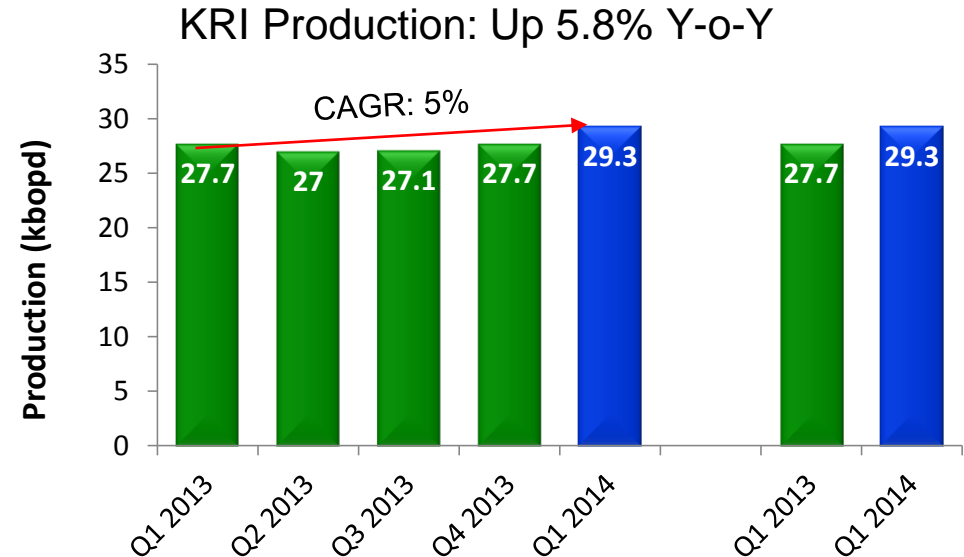
Operating profit higher by 67% due to higher production and lower costs

Net profit declined (lower by 32%) due to one-off gain of \$39 million in Q1 2013, following the partial sale of MOL shares. However, on a trailing quarter basis, Net profit was higher by 29% due to increased production in Egypt and higher sales of LPG in Kurdistan

Robust operational performance (Q1 2014 vs Q1 2013) resulting from high quality assets and key investments



Higher production in Egypt achieved from Salma Field and continued production optimization across all producing fields

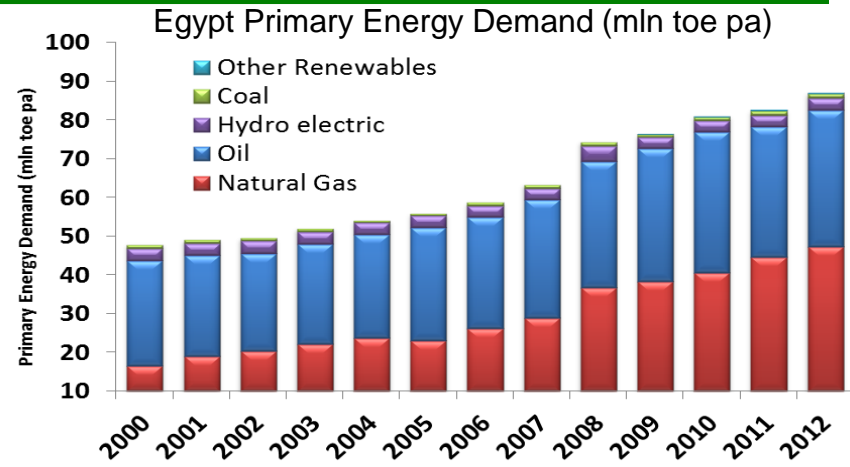
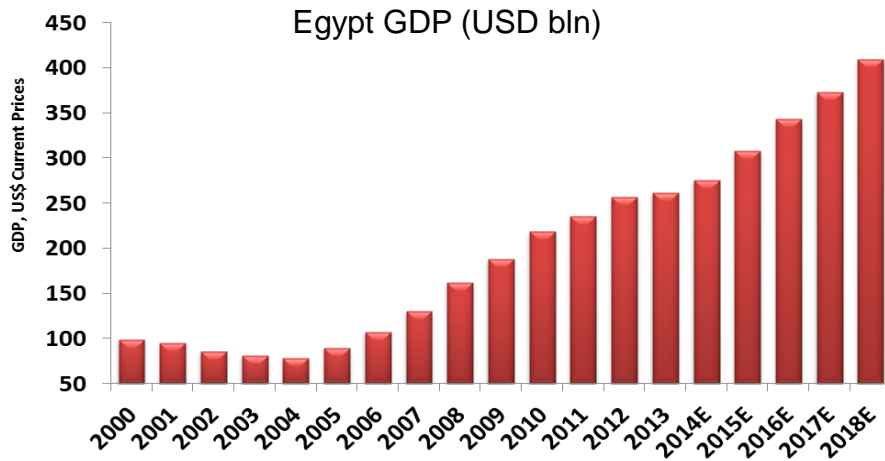


Following the completion of reconstruction and upgrading of the earlier damaged LPG loading facility in July 2103, and lifting of product has been steadily growing since.

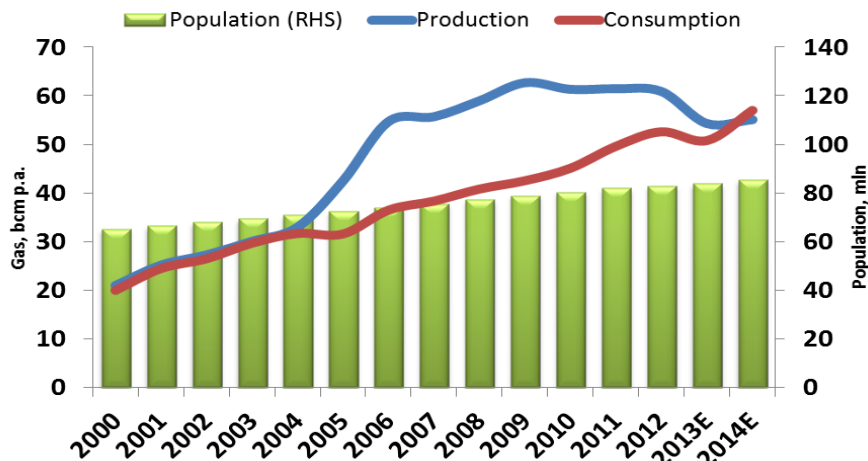
However the facility is operating below full capacity due to under lifting by the Ministry of Natural Resource ("MNR") of Kurdistan Regional Government of Iraq ("KRG")

Dana Gas: Country Business Highlights

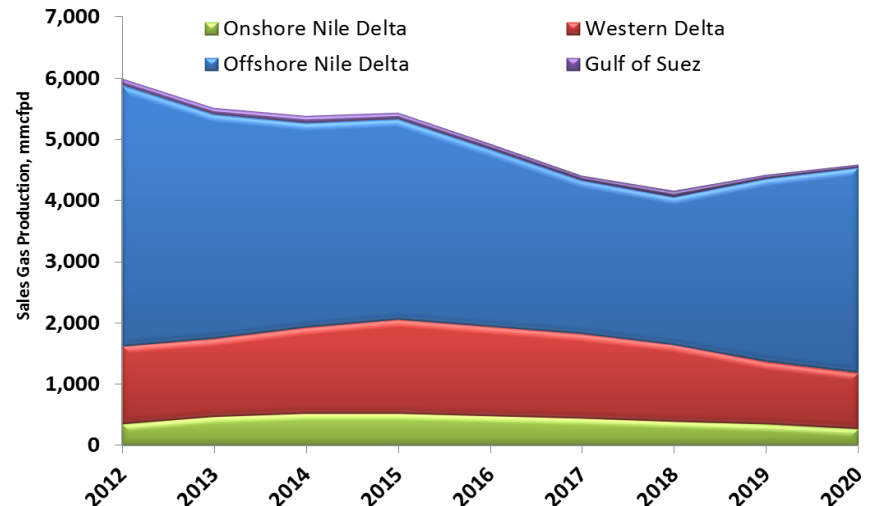
Despite a challenging business environment; Egypt gas fundamentals are robust



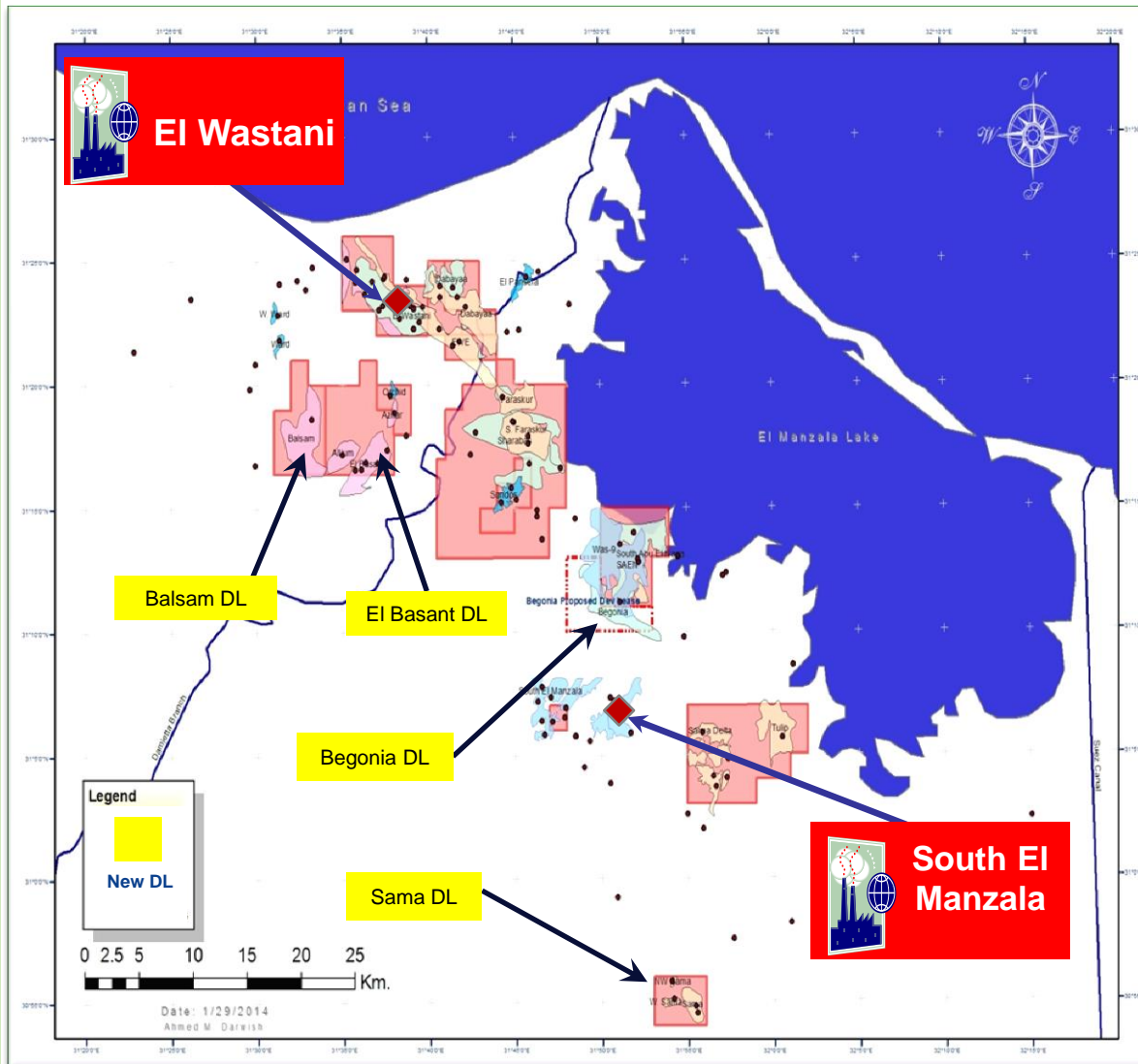
Gas consumption in Egypt to exceed production for first time since 1995



Onshore Nile Delta steady and critical gas supply source



Egypt: Nile Delta Operations



Development Leases:

- Balsam (Awarded)
- Begonia (Under Discussion)
- El Basant (Amended)
- Sama (Amended)

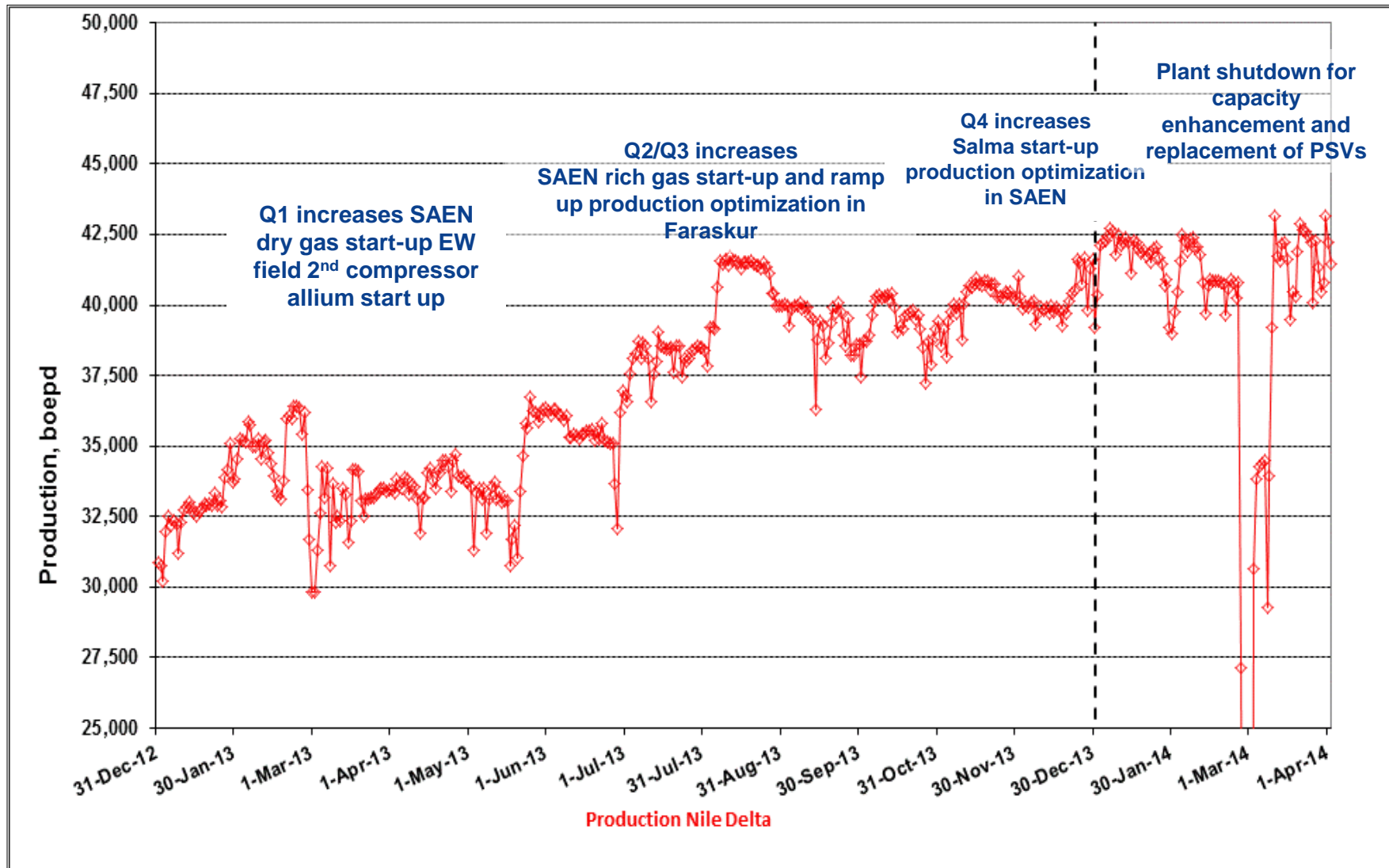
Production:

- 39.1 kboepd (Q1 2014 Avg)

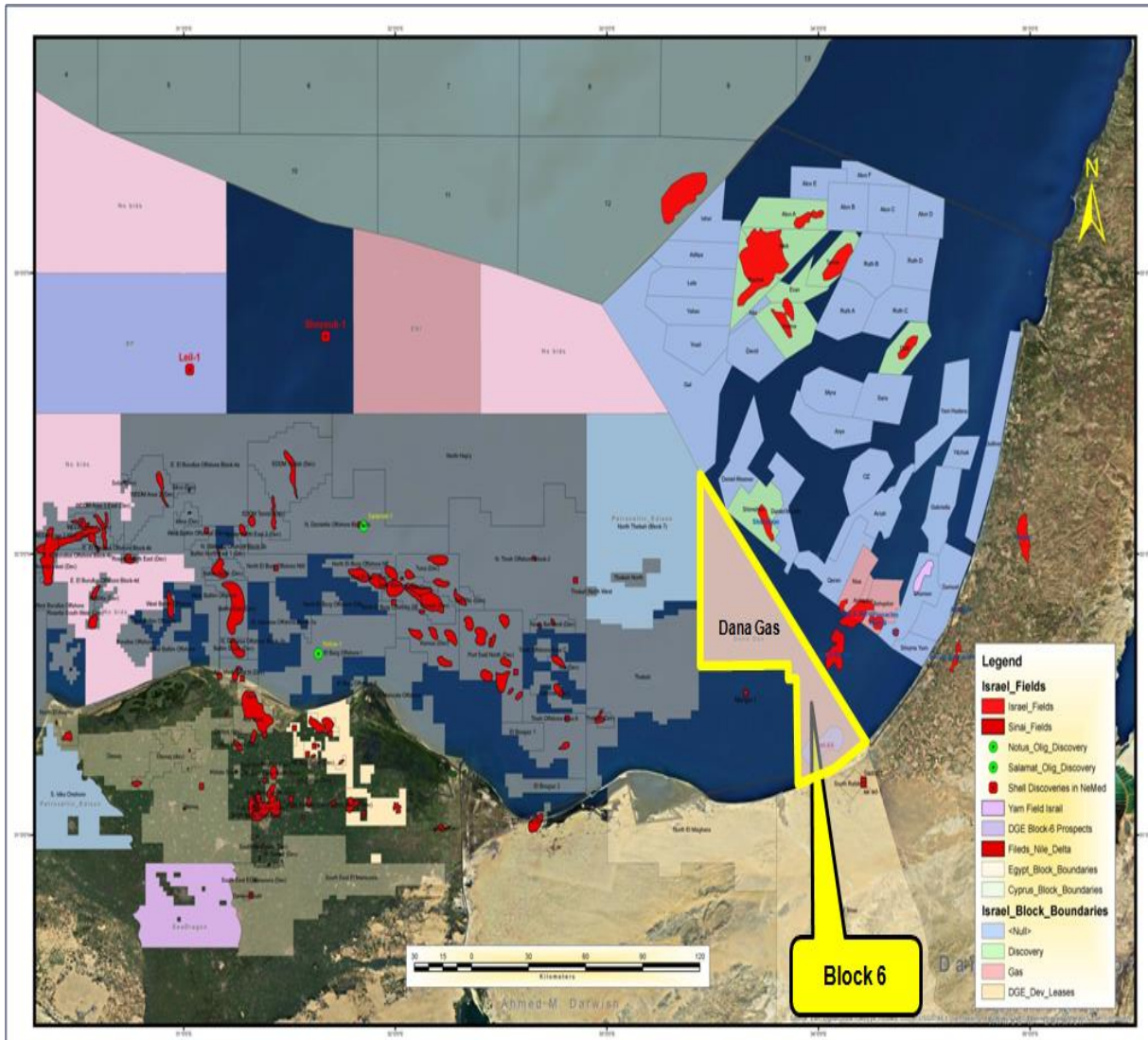
Projects:

- EW Capacity De-bottlenecking (200mmcf/d of raw rich gas) completed in March 2014
- El Basant Compression Station completion date is July 2014
- Salma/Tulip tie-in (Phase 1): (4 wells) completed in Q4/2013 and (Phase 2): additional 2 wells will be completed in 1H 2014

Consistent Increase in Nile Delta Production



Block 6 – North El Arish Offshore Opportunity



- Awarded :April 2013
- Area : 2980 sq km
- Governmental ratification received in 2014
- Seismic acquisition in 2014/15
- 1 well commitment in Phase 1
- Prospective acreage adjacent to prolific offshore gas producing fields


New DL

Dana Gas Kurdistan Assets – Substantial Resources Upside*



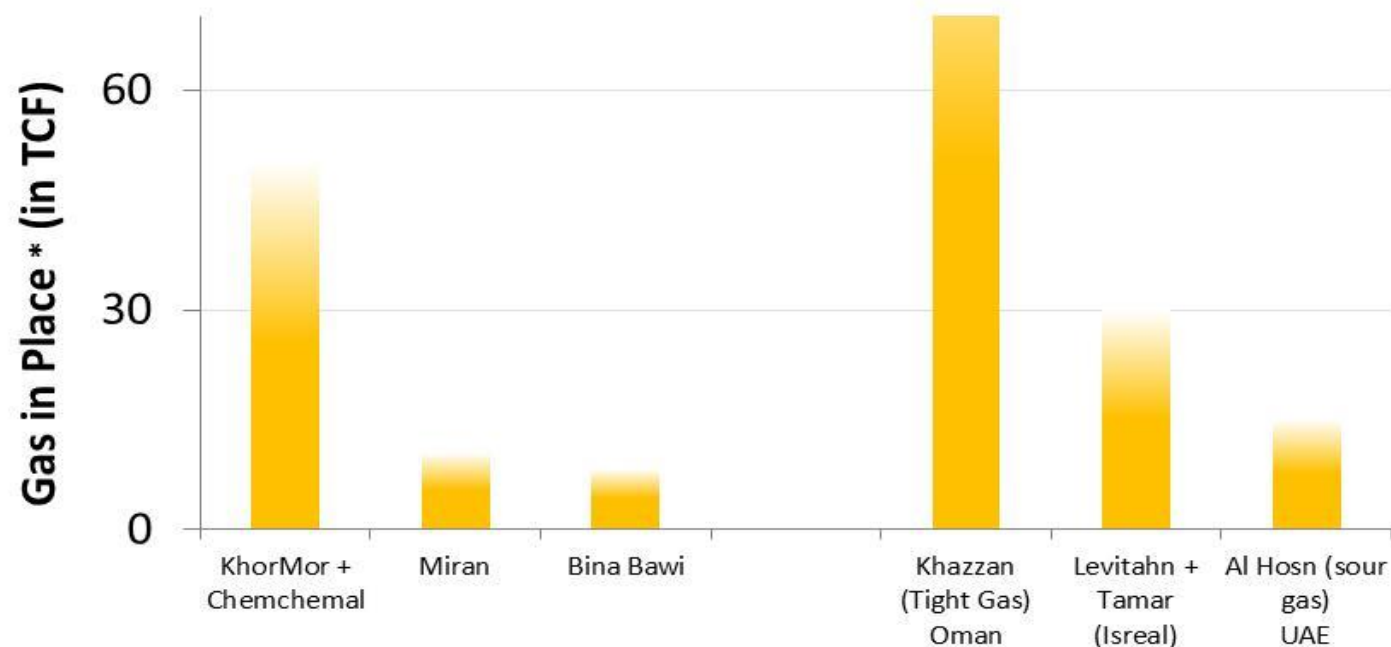
- Pearl Petroleum appointed Gaffney, Cline & Associates Limited (GCA), to provide an estimate of hydrocarbons in-place as at 31st December, 2012 for both the Khor Mor and Chemchemical fields
- GCA have estimated the gas initially in-place volumes (unrisked*) for 12 Khor Mor and 3 Chemchemical fault blocks
- 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.*

Khor Mor and Chemchemical are potentially largest gas fields in the KRI and comparable to large scale gas developments in the region

Large Gas Developments in MENA

(Source: Company disclosure)



Kurdistan Gas Fields

**Key MENA gas fields
under development**

Operations in Kurdistan Region of Iraq



- Invested over \$ 1.8 billion since inception
- Region's leading producer and largest domestic supplier of hydrocarbons
- JV operations with Dana Gas at 40% (average production of 29,300 BOEPD in 1Q 2014 – DG share)
 - 130 MMSCFD of natural gas
 - 6,000 bbl/d and 148 tonnes/d of condensate/LPG respectively

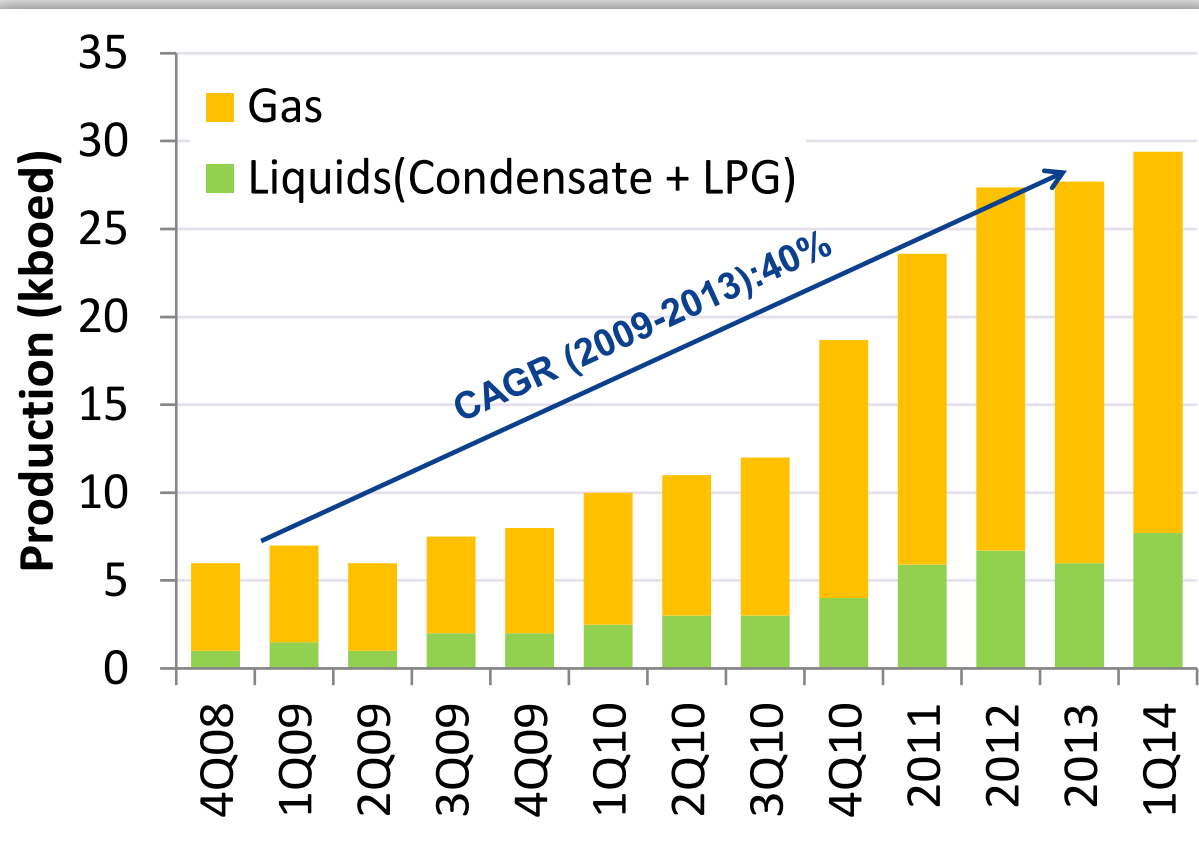
Rich gas and condensate producer with strong growth track record

Pearl Petroleum Company Ltd ownership:

▪ Dana Gas	40%
▪ Crescent Petroleum	40%
▪ OMV	10%
▪ MOL	10%

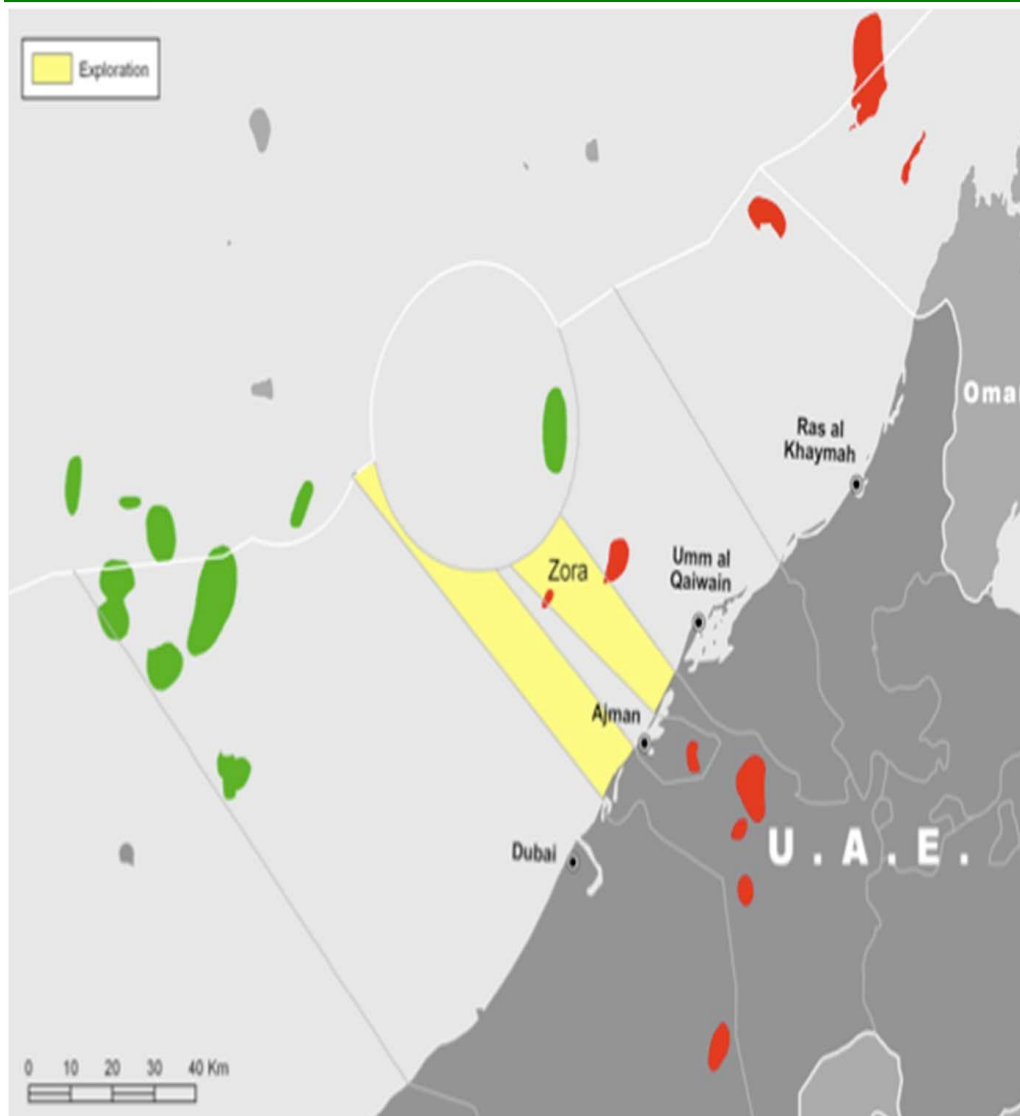


Kor Mor Field Production, Dana Gas net share



Current Condensate Gas Ratio (CGR) on Khor Mor is ca. 45 bbl/mmscf comparable to Qatar North Field CGR of 47~50

UAE: Zora Project Update

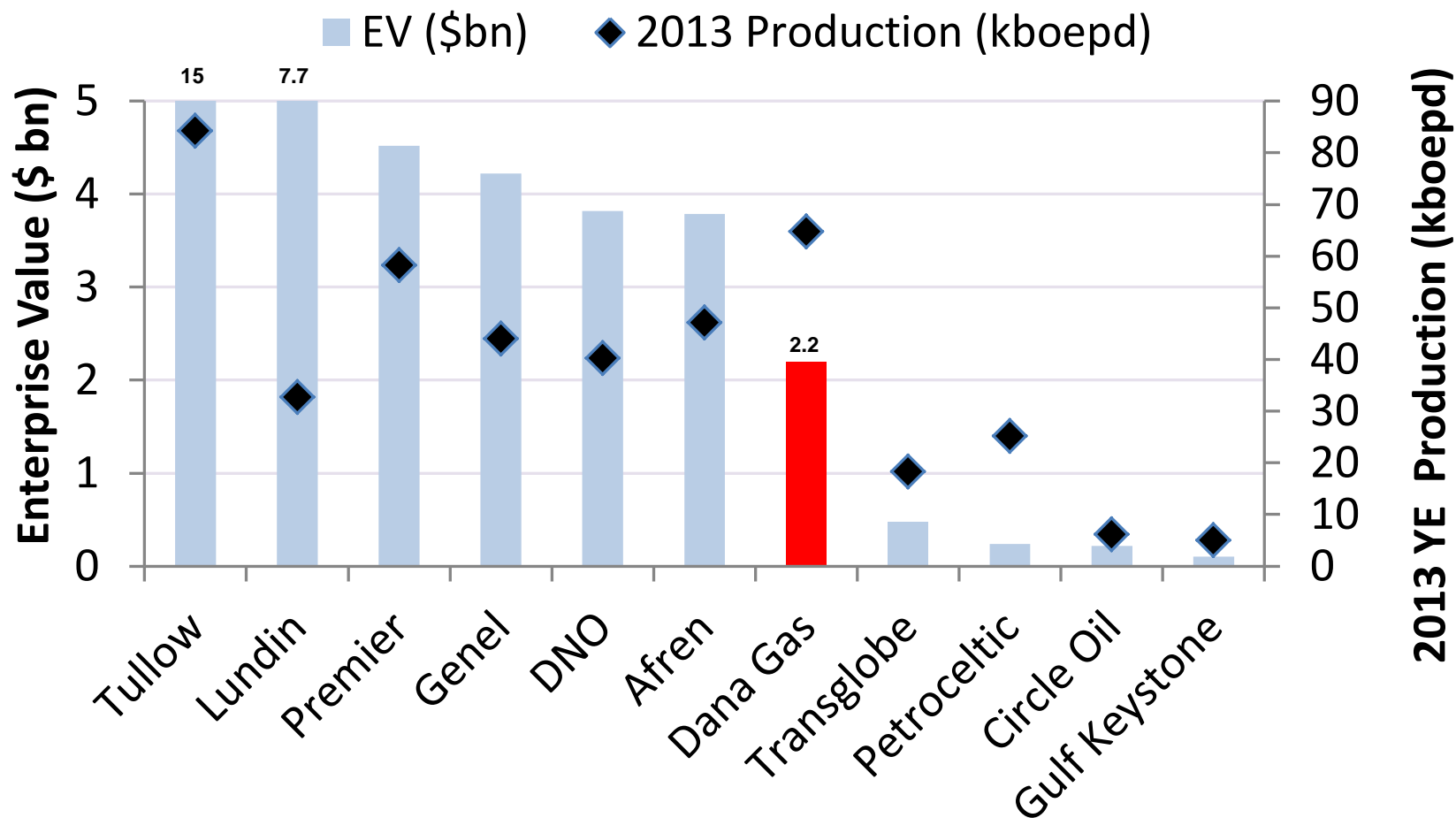


- Project Management team on board
- Overall Project Actual progress is in line with plans for first gas in 1H 2015 with a capacity of 40 mmscfd (6,650 BOEPD)
- Platform fabrication contract awarded and the actual progress is 29.55 % against planned 24.32 %
- LOA issued to Exterran for Onshore Gas Treatment Plant
- LOA issued to NPCC for Offshore Pipeline Construction and Platform Transportation & Installation
- Kick off meetings held with Exterran and NPCC and works in progress for Onshore Gas Treatment Plant and Offshore Pipeline Installation engineering and procurement activities
- Onshore Pipeline installation contractors prequalified and ITT preparation underway
- 20 major drilling service contracts in progress
- Orders placed for major long lead items

Dana Gas: Relative Valuations

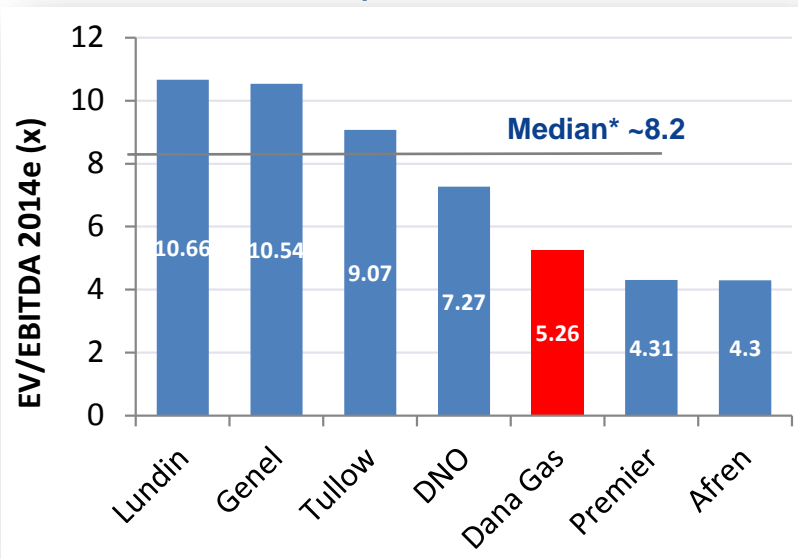
EV and Production valuation relative to peers

Enterprise Value vs. Production

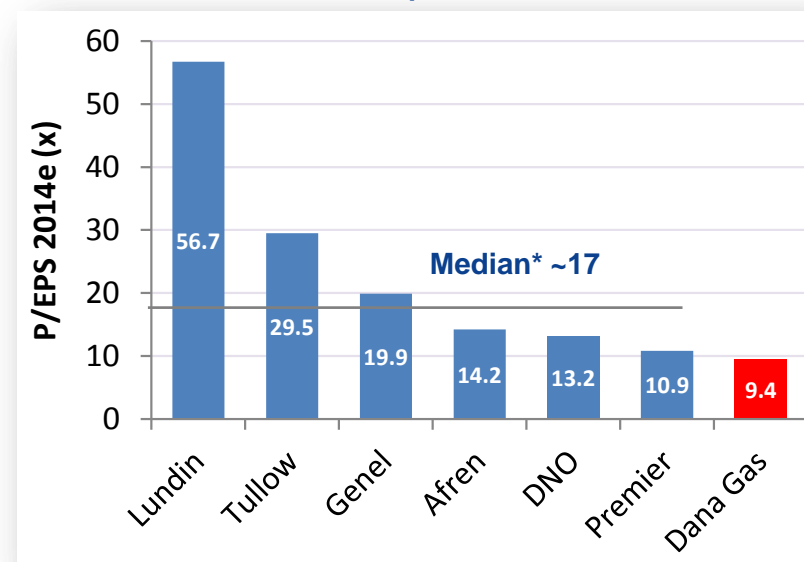


Significantly undervalued relative to peers

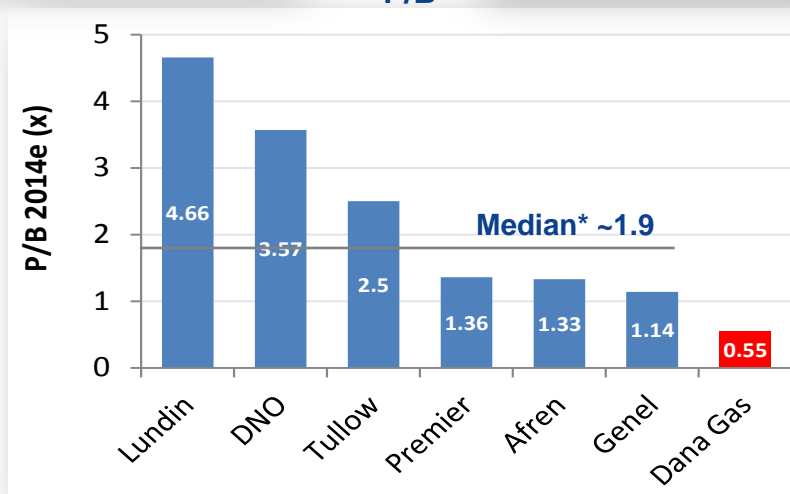
EV/EBITDA



P/E



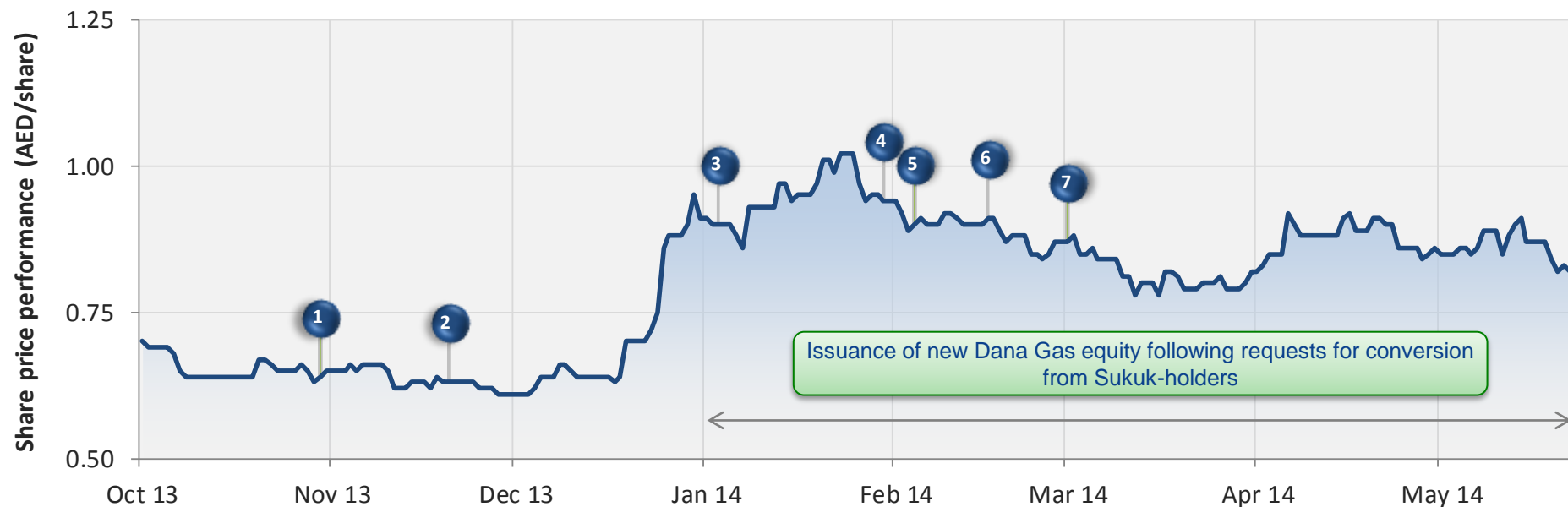
P/B



* European Peers median ratio

Increased liquidity following Sukuk conversions impacting recent performance

Dana Gas: Share price performance (AED/share)

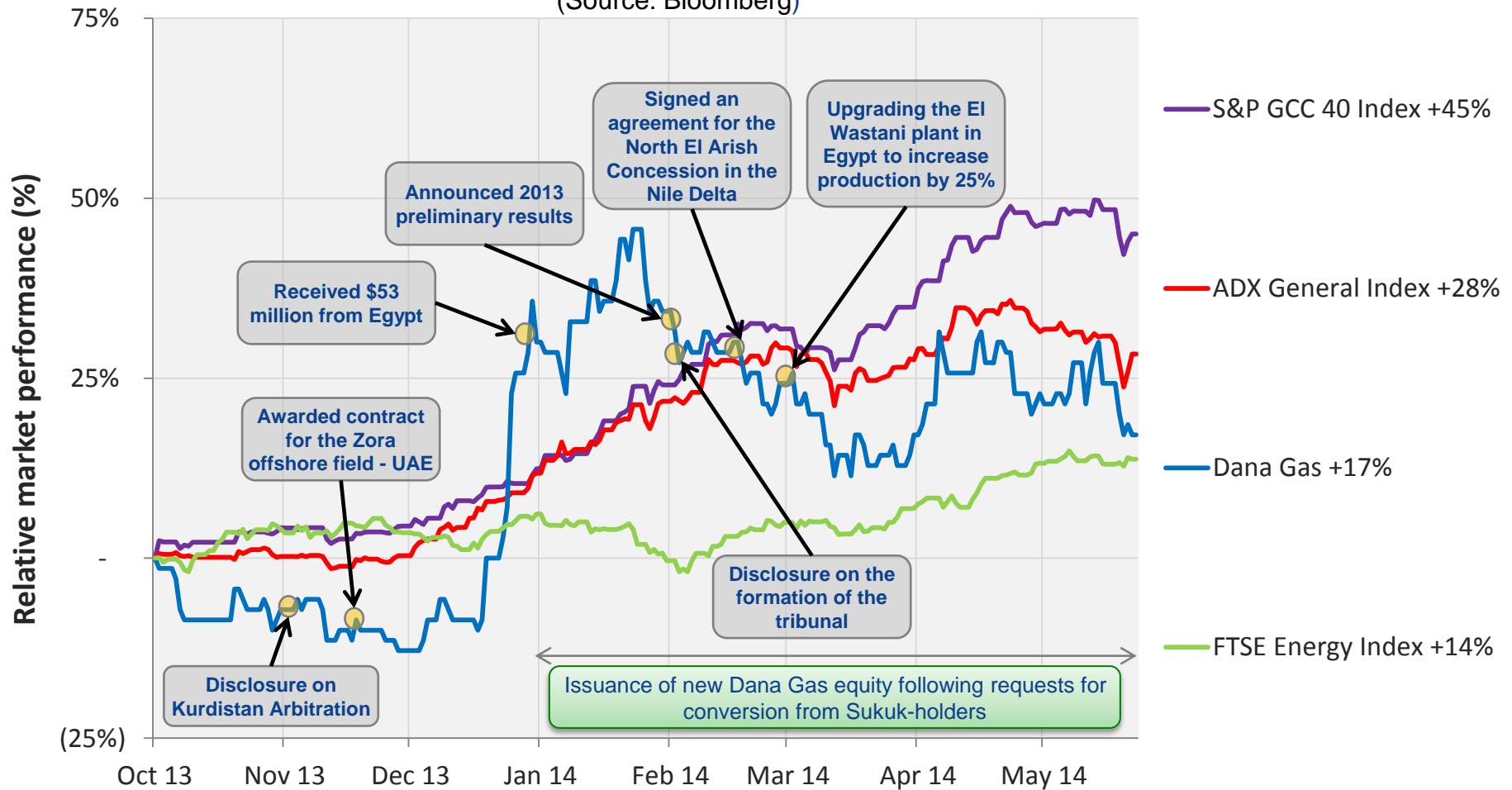


Key events

#	Date	News
7	01/03/2014	Upgrading El Wastani plant in Egypt to increase production by 25%
6	16/02/2014	Signed agreement for the North El Arish Concession in the Nile Delta
5	04/02/2014	Disclosed the formation of the tribunal
4	30/01/2014	Announced 2013 preliminary results
3	03/01/2014	Received \$53mIn from Egypt
2	20/11/2013	Awarded contract for Zora offshore field - UAE
1	30/10/2013	Disclosure on Kurdistan Arbitration

Relative share price performance of Dana Gas

Relative Performance
(Source: Bloomberg)



Summary

- Achieved excellent results due to an increase in overall production and sales, and tighter control of operational and capital expenditure
- Macro-economic challenges faced by Egypt remain an area of concern
- Seeking a solution to the problem of outstanding receivables in Egypt that benefits both parties. Discussions underway to establish a clear payment schedule. Step up in investments to significantly enhance production in the near future once this is agreed.
- Despite the ongoing arbitration, continuing to meet all contractual obligations and operate gas production facilities at Khor Mor at full capacity to provide the much needed power supply to the people of the KRI
- Ongoing requests for exchanging convertible Sukuk to equity enabling lower debt obligation and growing investor confidence
- Despite obvious challenges, we remain optimistic regarding the Company's future potential and continue to focus on delivering maximum value to our shareholders

Reach Us:

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