

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



Dana Gas Equity Investors Presentation

March 2015

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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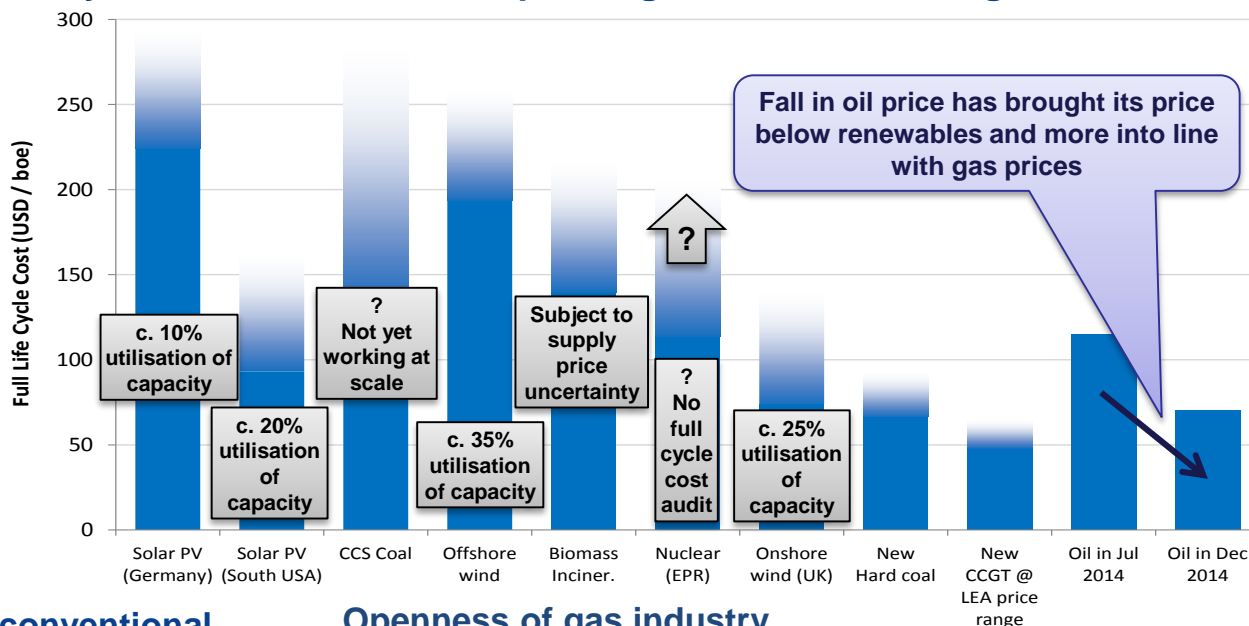
Presentation Outline



- Increasing role of gas in MENA
- Dana Gas – Business Profile
- Country Operations – Egypt, KRI and UAE
- Relative Valuations
- Summary

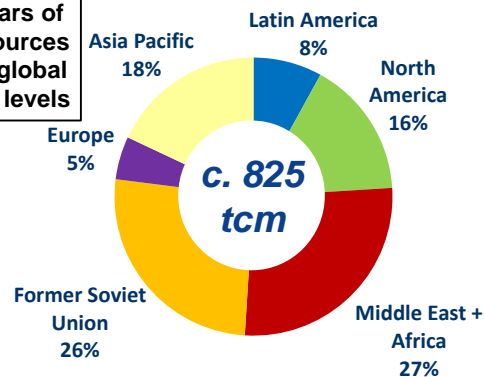
Gas is the growth fuel of the 21st Century. It has strong environmental credentials, is cost competitive, is accessible and available in abundance

Current full lifecycle costs for new-build power generation including externalities (USD per boe)

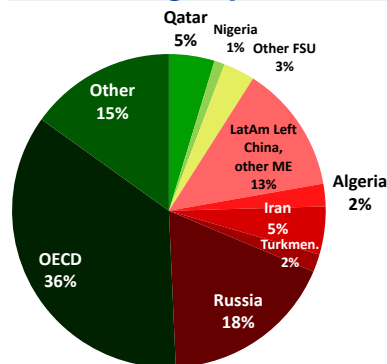


Huge global conventional and unconventional gas resources

250+ years of gas resources at 2012 global demand levels

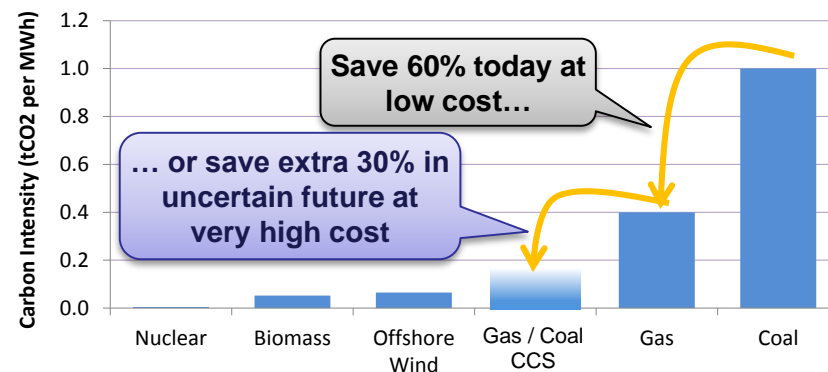


Openness of gas industry % of 2013 gas production



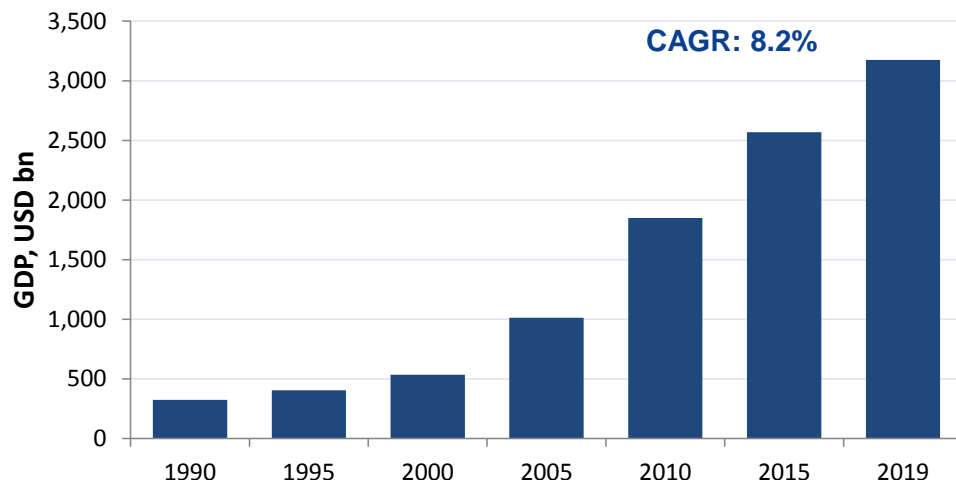
State Control Partnerships

CO2 emissions of various fuels in power generation

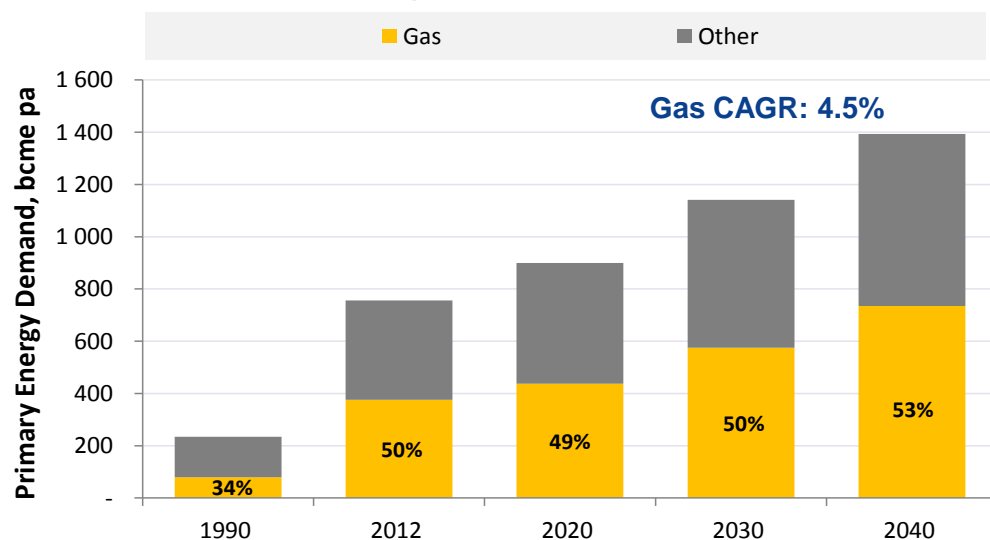


Middle East gas demand is poised for continued growth as the region's population and economy grows in coming decades.

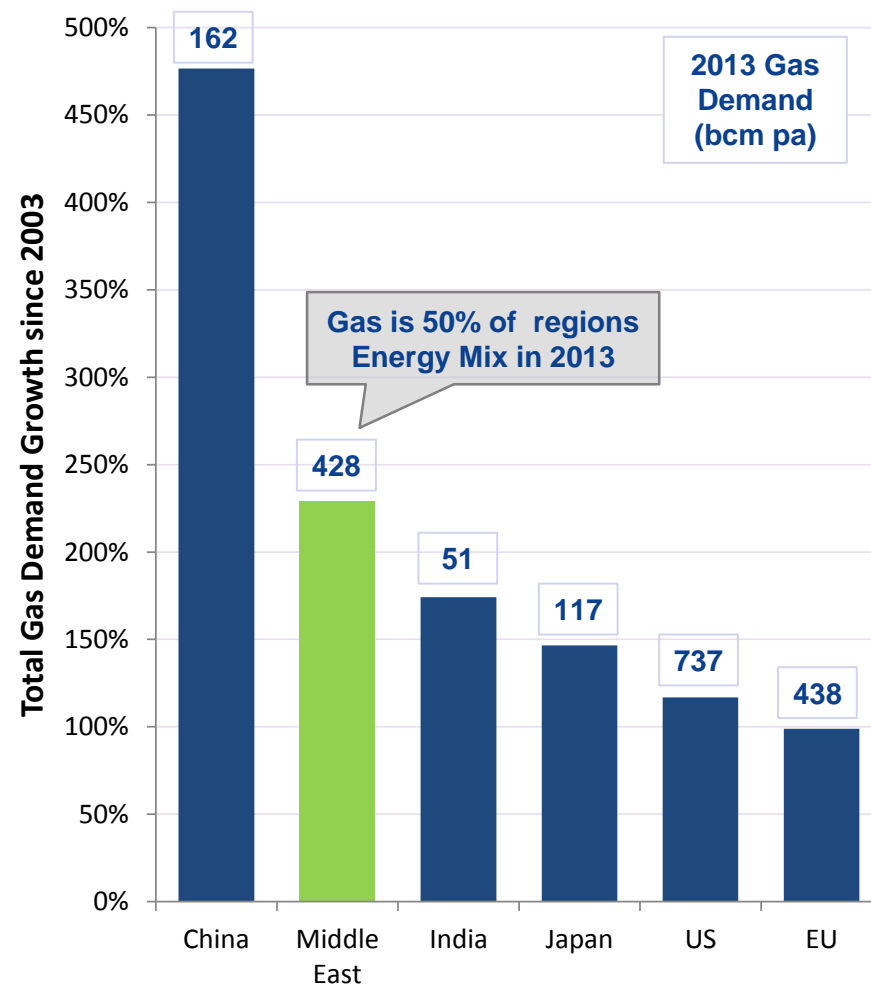
GDP Growth of Middle East¹



Primary Energy Demand of Middle East¹



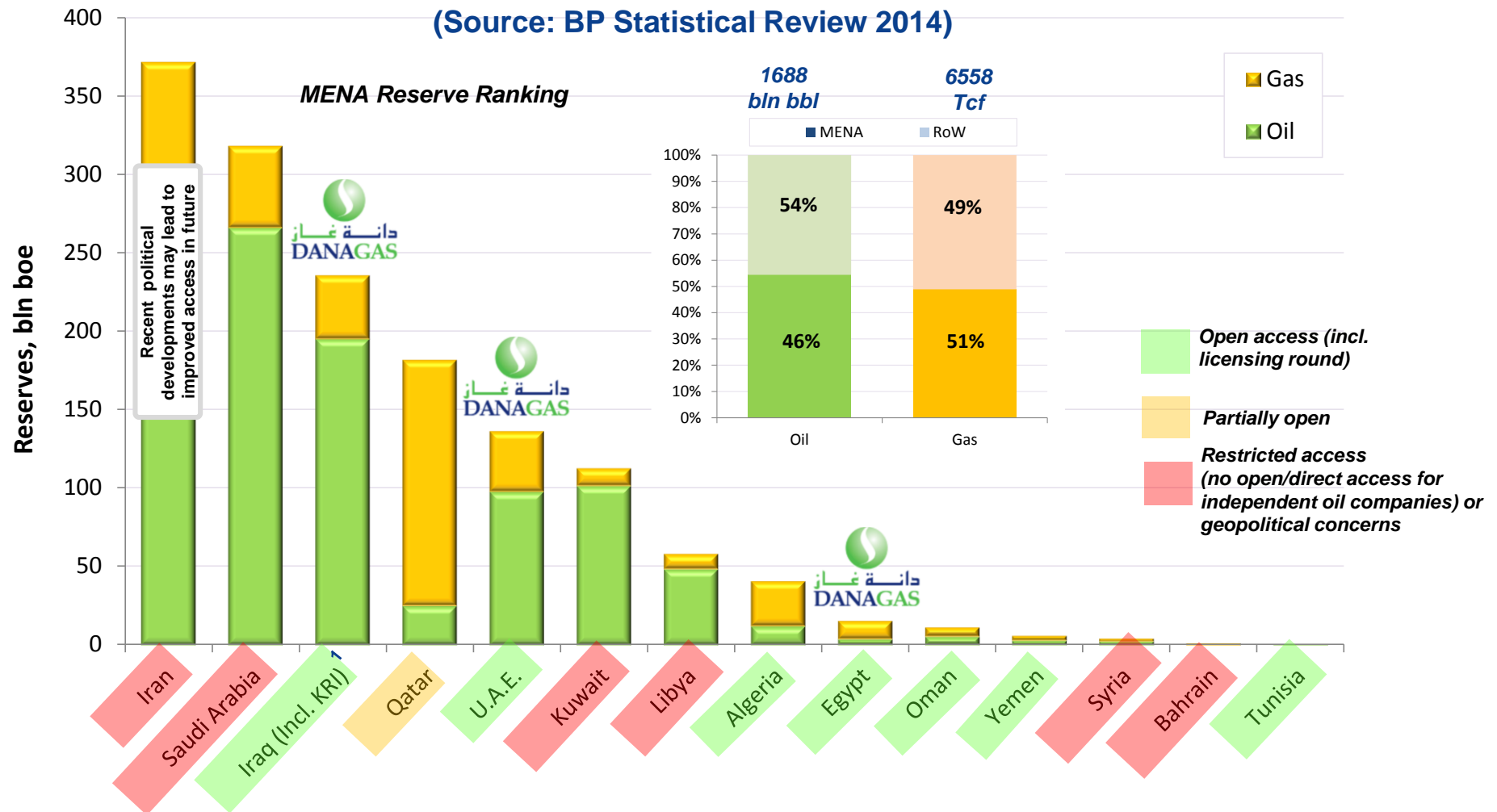
Regional Gas Demand Growth in Last Decade



MENA region holds ca. 50% of global oil & gas reserves but with limited access.
 Dana Gas has established presence in both large resource plays and growth market with open access



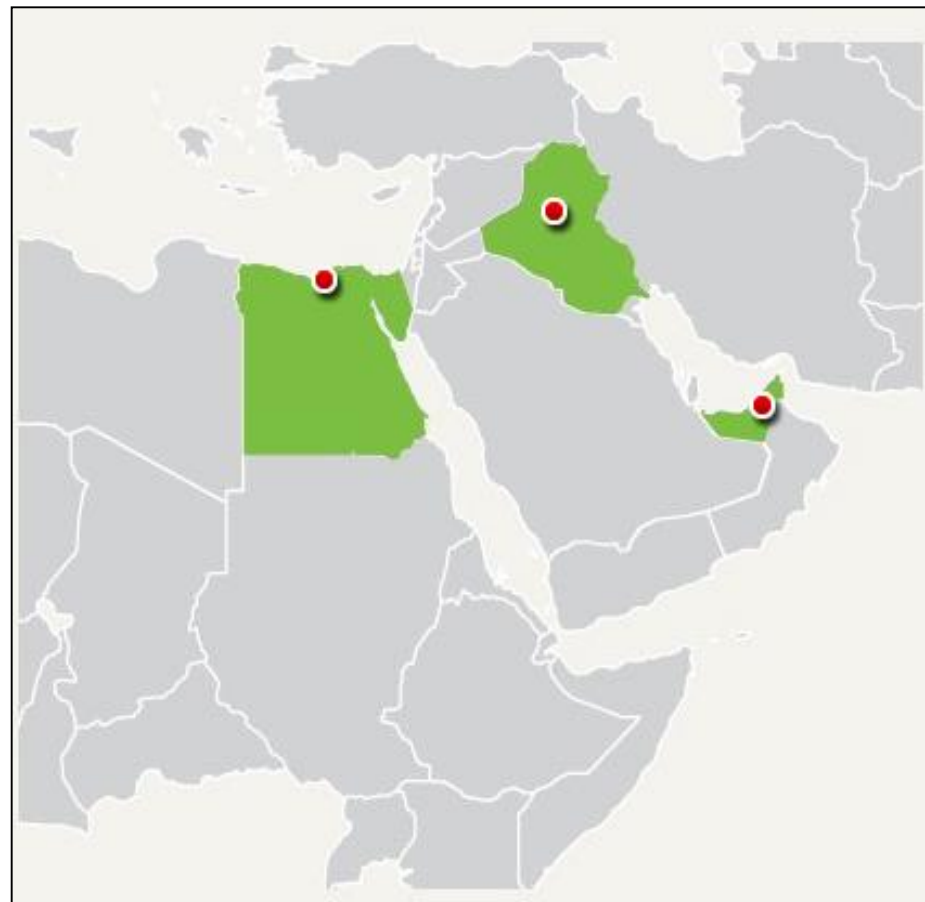
Oil & Gas Proved Reserves (Source: BP Statistical Review 2014)



Dana Gas – Business Profile

- Dana Gas is a MENASA focused gas independent headquartered in the UAE
- Dana Gas is quoted in the Abu Dhabi Securities Exchange. Bloomberg: DANA:UH
- Shares outstanding: ca. 6960 million
Market capitalisation: approx. \$ 890 million
Enterprise value: \$ 1.435 billion
- Net Debt/(Cash)¹: \$ 545 million (4Q 2014)
- Current Production: 68.9 kboepd (2014 YE)
- 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

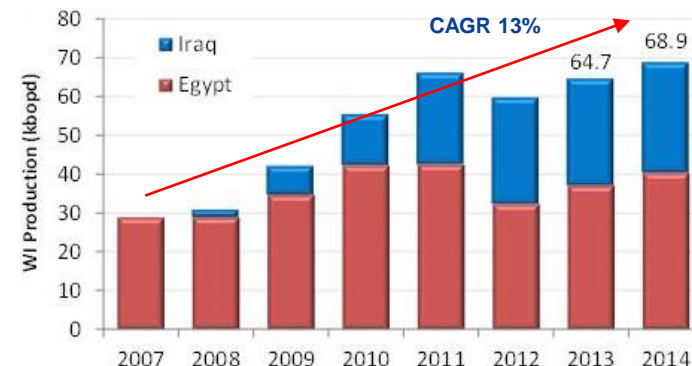


Dana Gas works across the gas value chain addressing both domestic and export market needs in MENA region

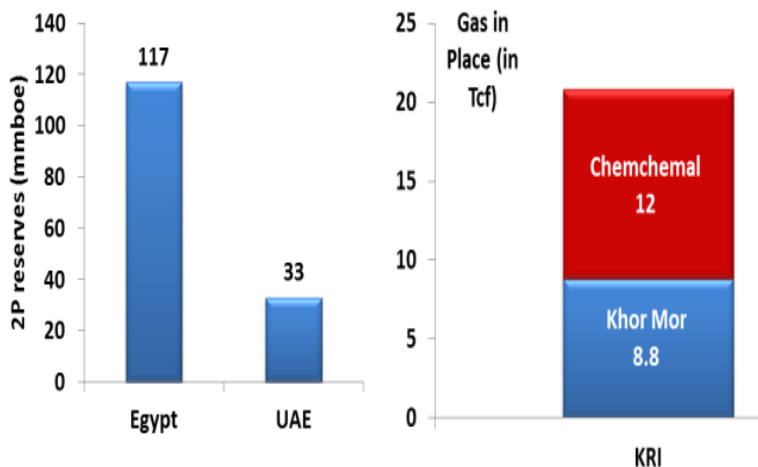
Dana Gas is operating at the heart of the world's largest hydrocarbon bearing region



Production Profile



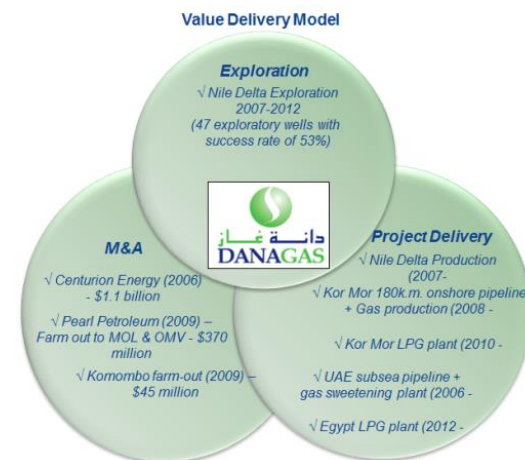
Reserve & Resources (YE 2013)



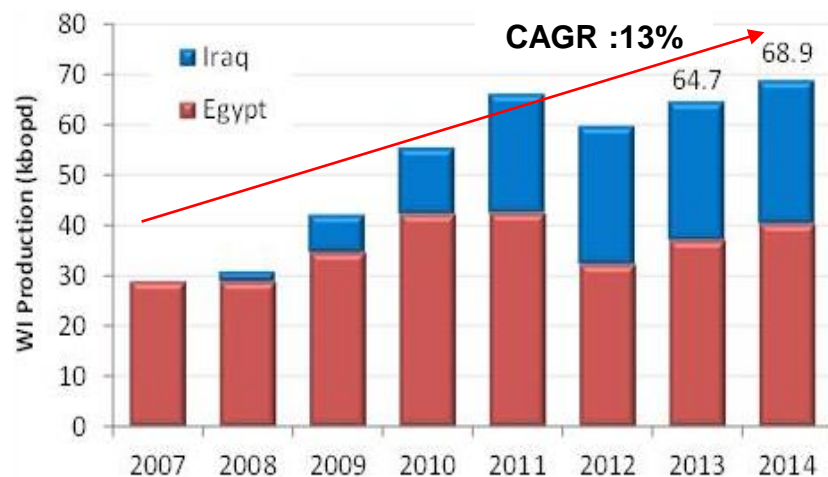
Mid Stream and Downstream assets in MENA

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

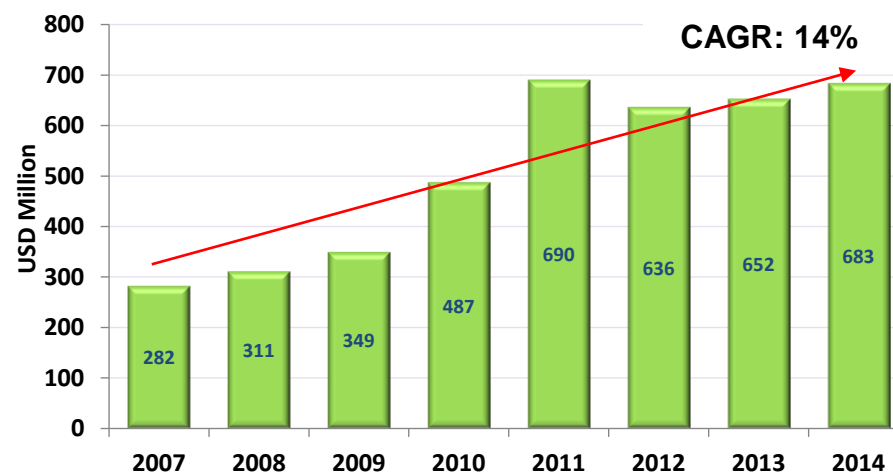
Business Model across the gas value chain – Meeting energy needs of domestic and export markets



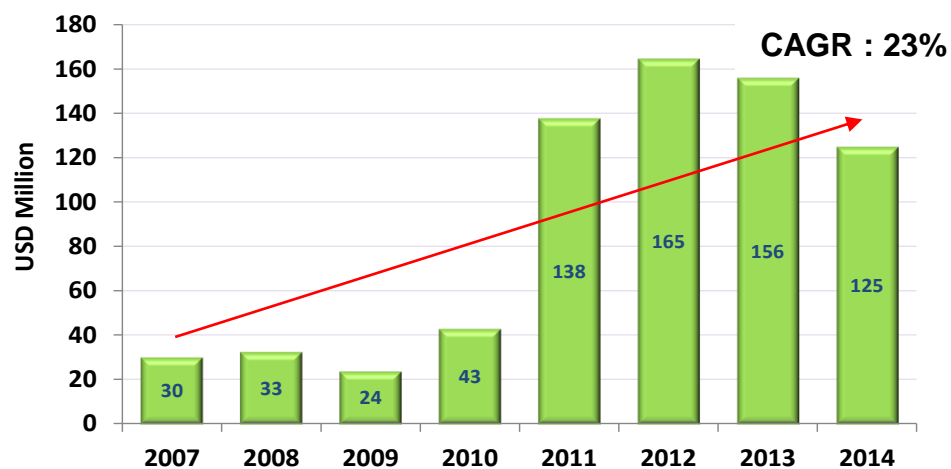
Production



Revenue

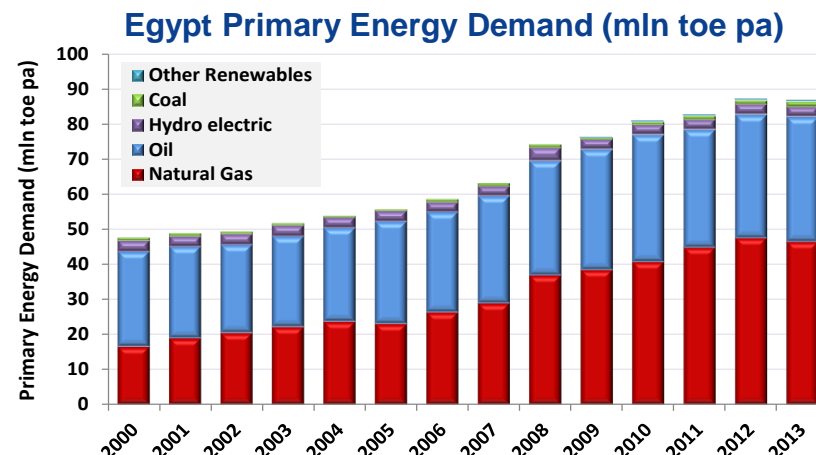
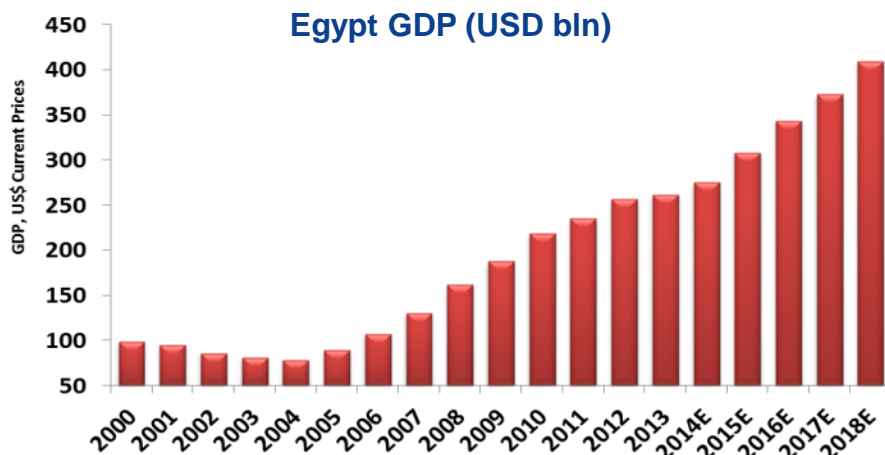


Profit After Tax

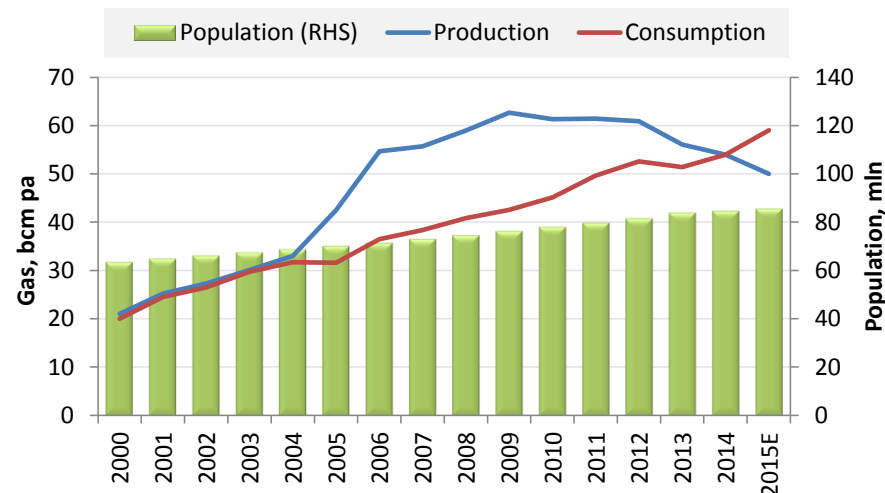


Dana Gas: Country Business Highlights

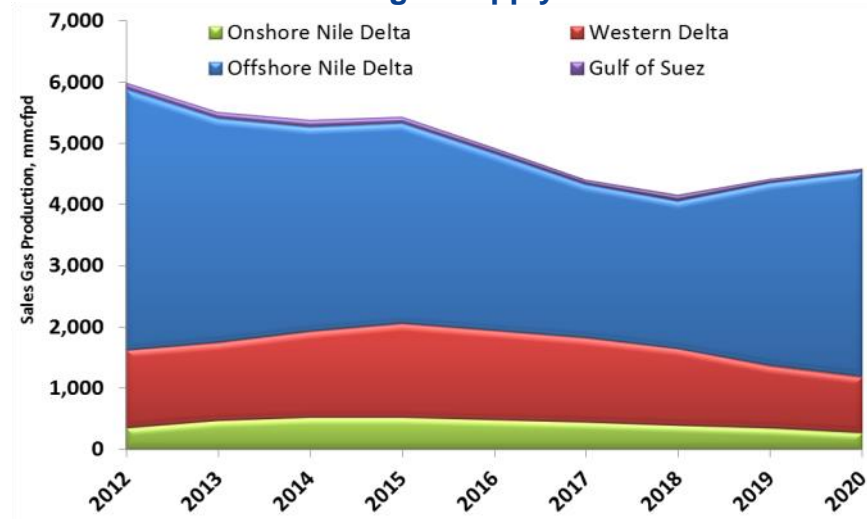
Despite a challenging business environment; Egypt gas fundamentals are robust.
Dana Gas continuous to play a key role in increasing gas production in the core Nile Delta region



Gas consumption in Egypt in 2015 expected to exceed production (LNG imports expected to fill the gap)



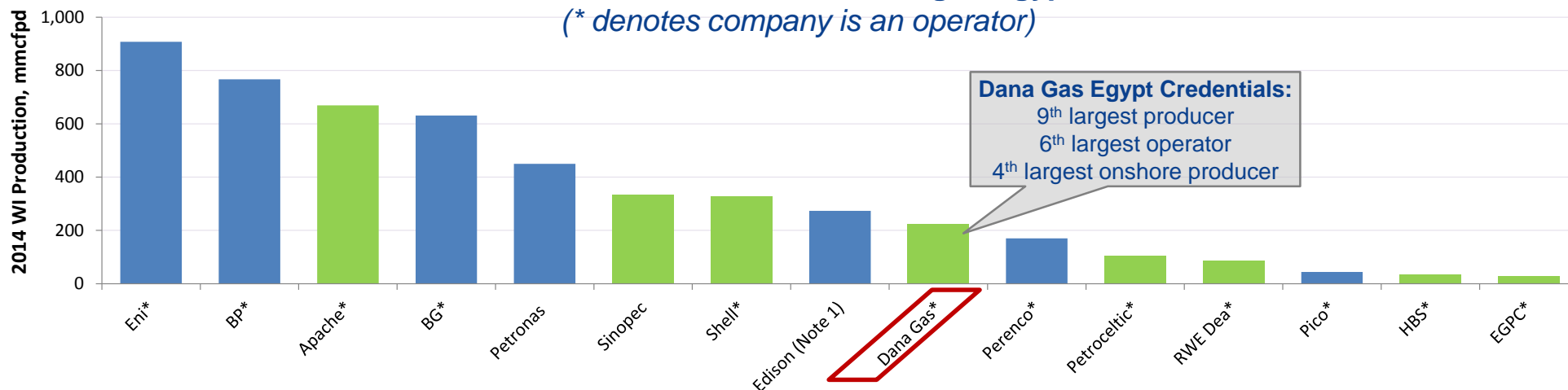
Onshore Nile Delta steady and critical gas supply source



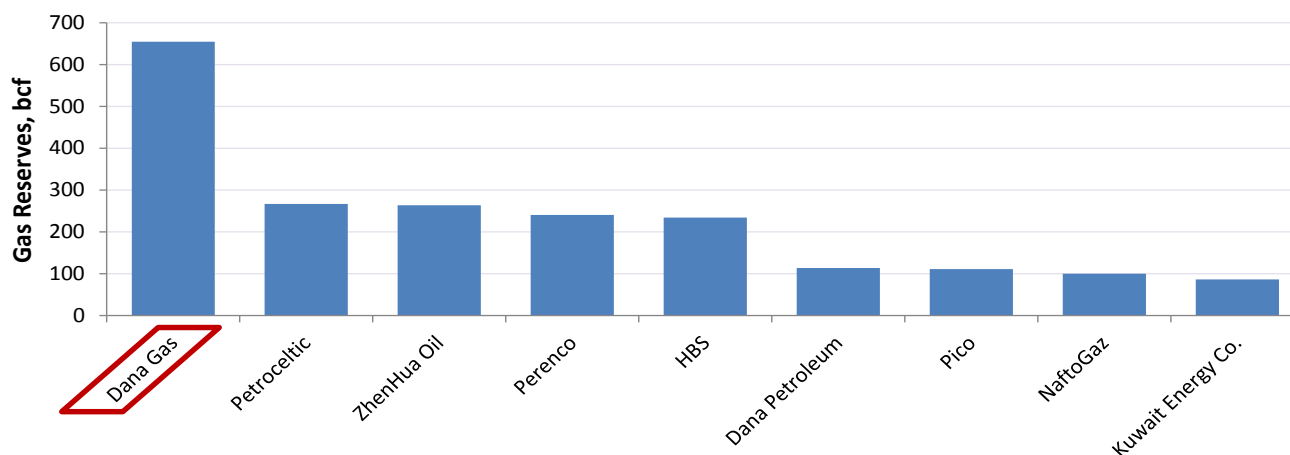
Dana Gas is the 6th largest operator and 4th largest onshore producer in Egypt

2014 Gas Production Ranking in Egypt

(* denotes company is an operator)

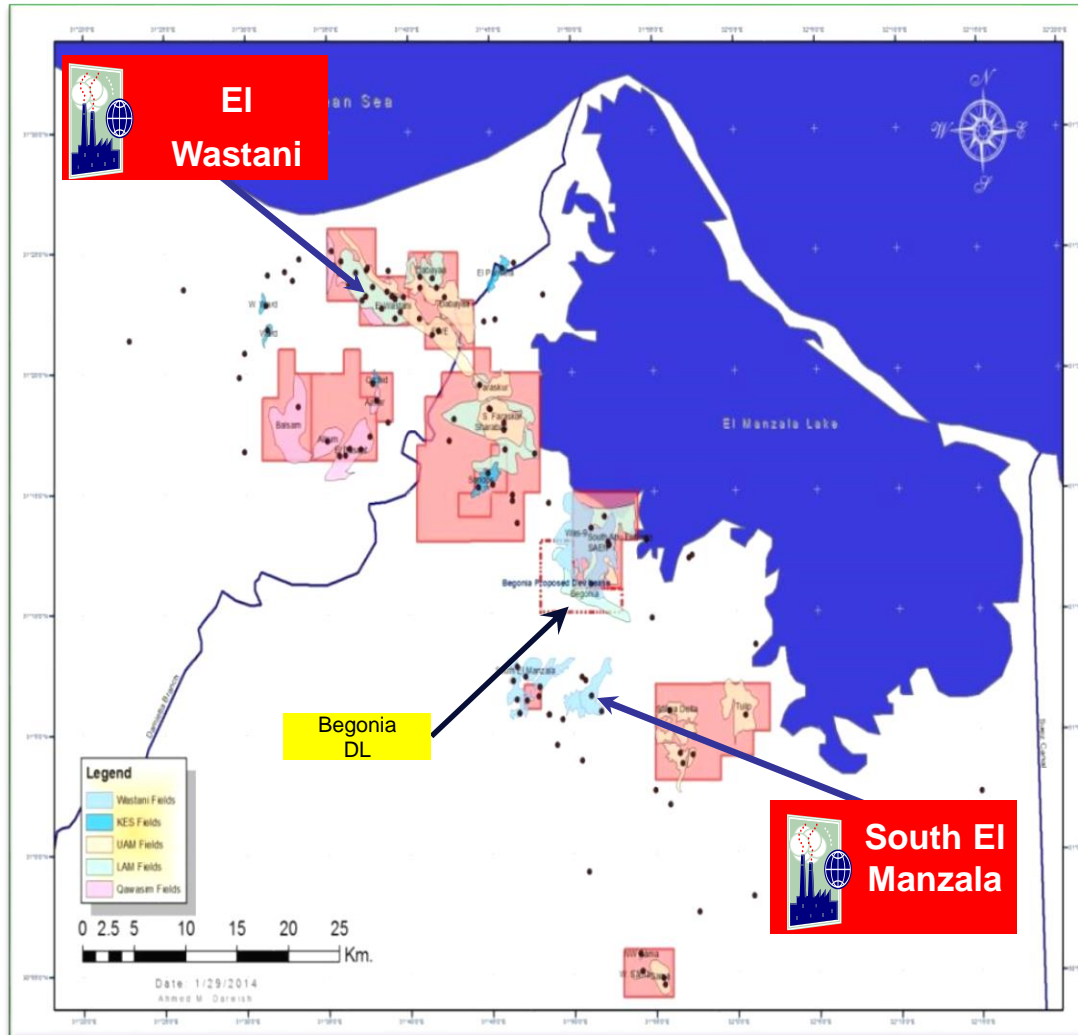


Gas Reserve Ranking of Independents in Egypt



EBGDCO LPG Plant (Dana Gas holds 26.4% of the project)





Development Leases:

Onshore acreage consisting of 13 Development Leases in the prolific Nile Delta region.

One additional DL (Begonia) is expected to be approved before end of Q1/2015.

Production:

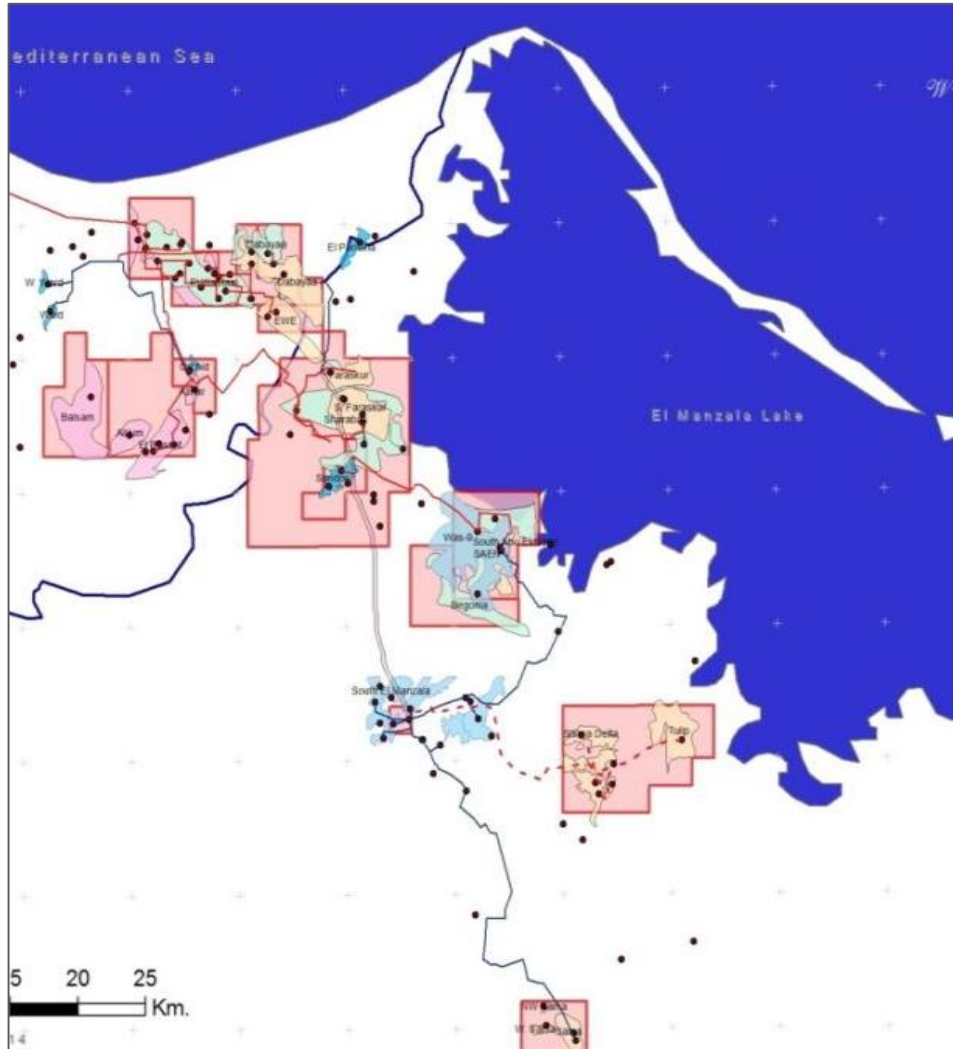
Q4 2014 avg. 37.9 kboepd is lower than Q3 production nevertheless full year production of 40.4 kboepd is above the 2013 average of 37,100 boepd.

Commercial:

Ancillary agreements to the Gas Production Enhancement Agreement (GPEA) are expected to be approved this month

Gas Production Enhancement Agreement (GPEA) helps Egypt increase production while delivering long term value to Dana Gas

GPEA – Project Execution underway



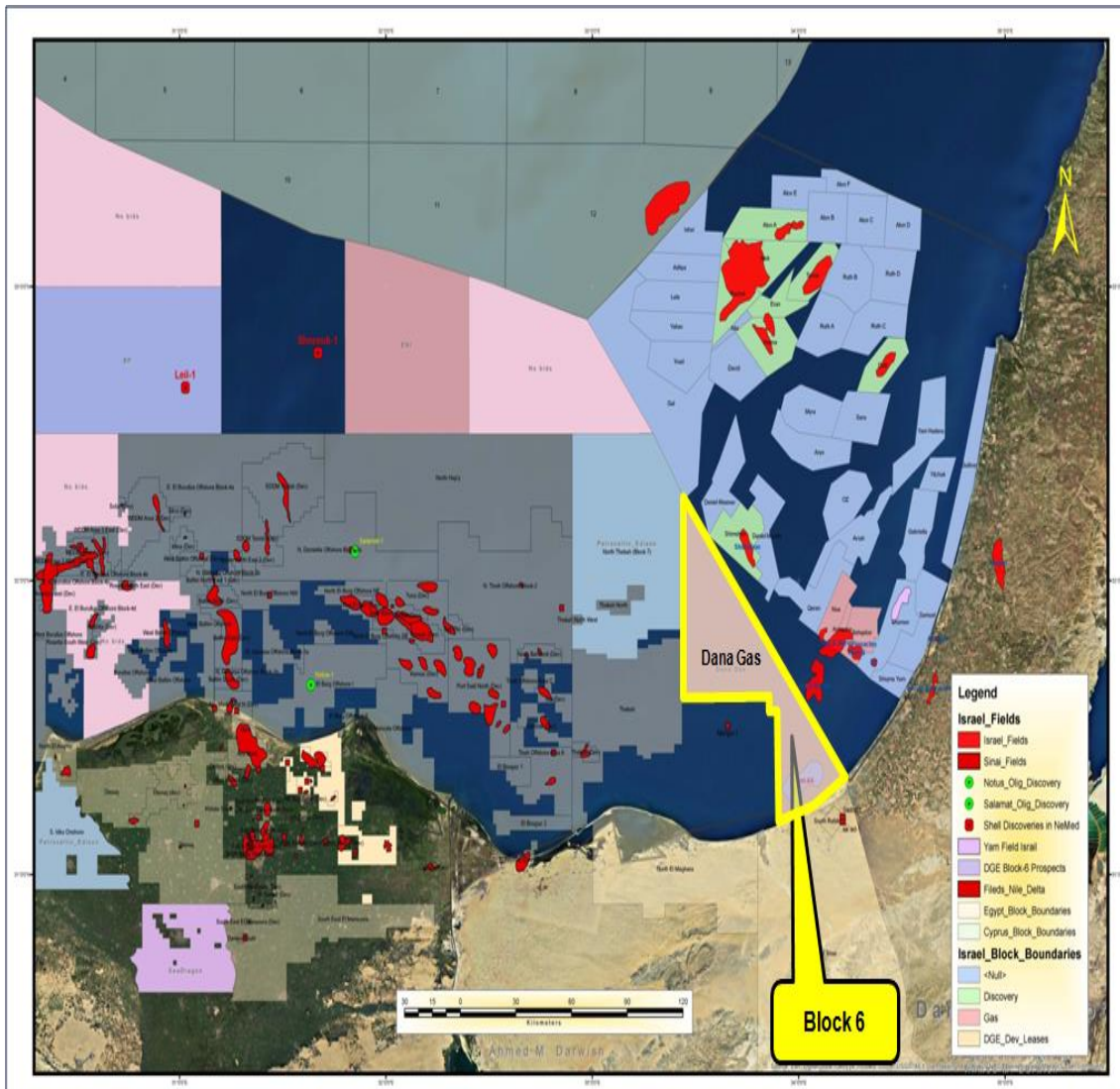
Investment highlights:

- Drilling includes 37 new wells and an equivalent number of work-over wells over a 7 year period in existing concessions in Nile Delta
- Investment to boost incremental production by c. 270 bcf of natural gas, 9 mmboe of condensate and 450k tonnes of LPG
- Capital expenditure to be funded by a combination of project financing and internally generated funds from Egypt

Commercial framework

- Financial proceeds from incremental condensate sales at international market prices are to be retained by Dana Gas and the government share of proceeds will be applied directly to pay down outstanding receivables
- Under the agreed commercial arrangement, Dana Gas' receivables are expected to fall from the current level to nominal levels by mid-2018

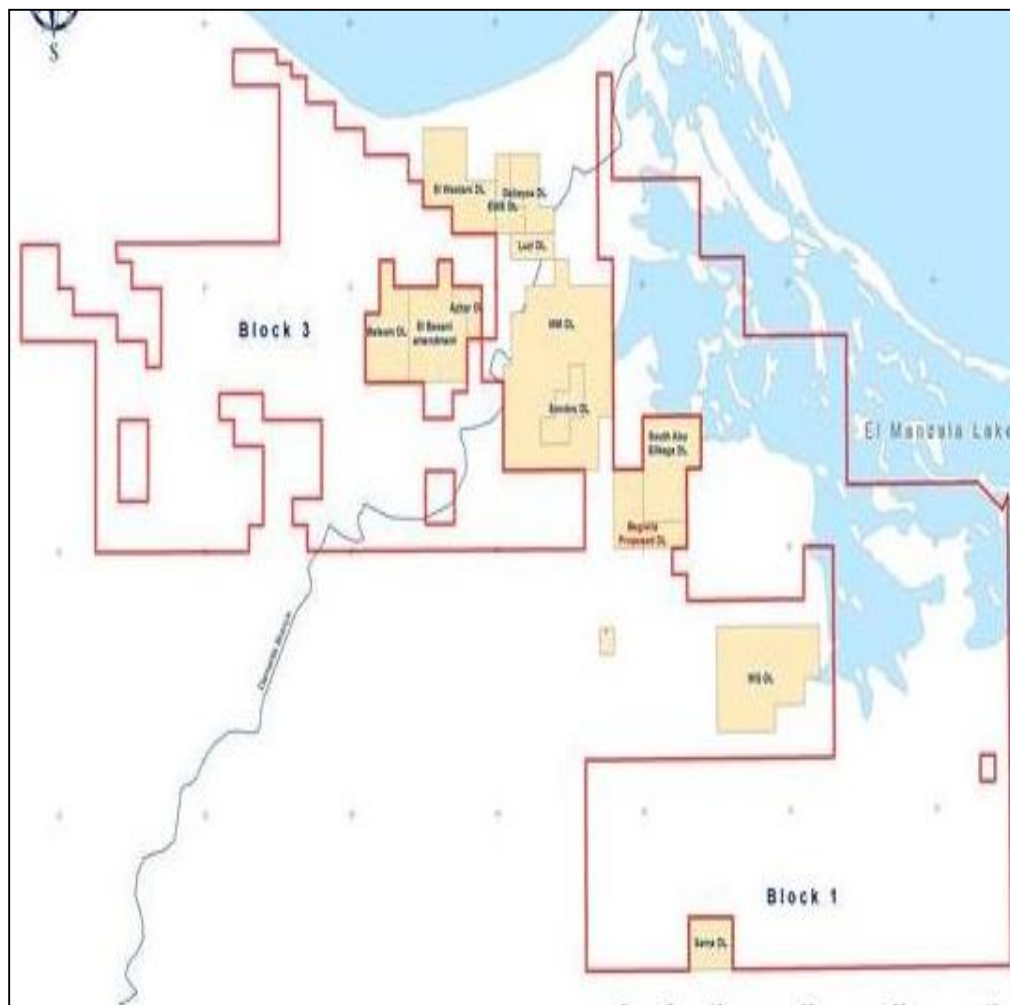
Block 6 – North El Arish Offshore Opportunity



- G&G studies prior to commencing seismic acquisition in Q4-14 / Q2-15
- Environmental Impact Assessment ahead of seismic operations
- Seismic reprocessing of vintage 2D seismic data across the block Q4-14
- The initial seismic acquisition will consist of ~2000 LKM of 2D seismic to cover the deep water portion of the block where there is currently very limited seismic coverage

Newly awarded exploration blocks in Nile Delta enables Dana Gas to build on its core area production and utilising existing infrastructure

Blocks 1 & 3 located adjacent to Dana Gas' prolific Nile Delta development leases



- Awarded the North El Salhiya (Block 1) and El Matariya (Block 3) onshore concessions in the Nile Delta in 2014 EGAS bidding round
- Block 1 (100% WI) is an extension of the company's successful conventional business
- Block 3 (50% WI), BP as the operator as 50:50 partner. Opportunity to target deeper, high-potential Oligocene play which is proven and tested in offshore Nile Delta by BP & BG
- BP and Dana Gas in discussions on possible joint participation in some of Dana Gas's adjacent Development Leases linked to exploration success in Block 3



- DG share of production (40%) averaged 28,400 boepd during 4Q 2014:
 - 119 MMscfd of natural gas
 - 5,346 bbl/d of condensate
 - 275 MT/d of LPG
- The Mol sieve beds for both Kor Mor plant trains have been replaced.
- Production of LPG increased from 514 MT/D in 3Q 2014 to 688 MT/D in 4Q 2014; which represents an increase of 34%
- All liquids continue to be sold in the domestic market.

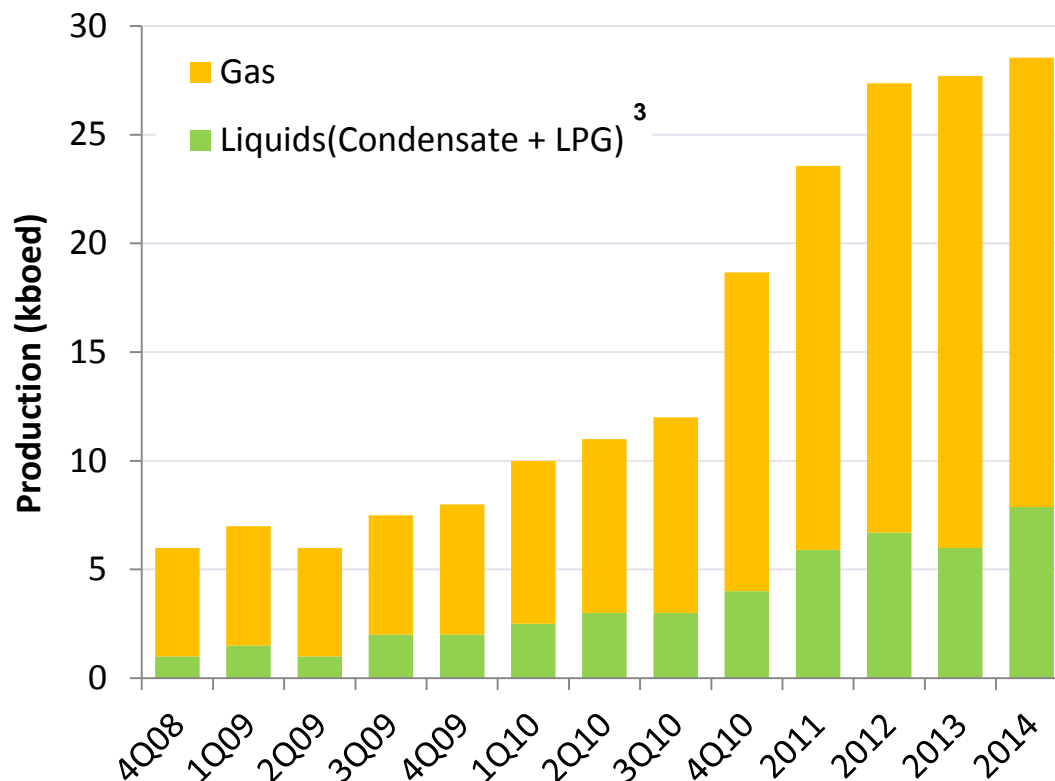
Rich gas and condensate producer with strong growth track record

Pearl Petroleum Company Ltd ownership:

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



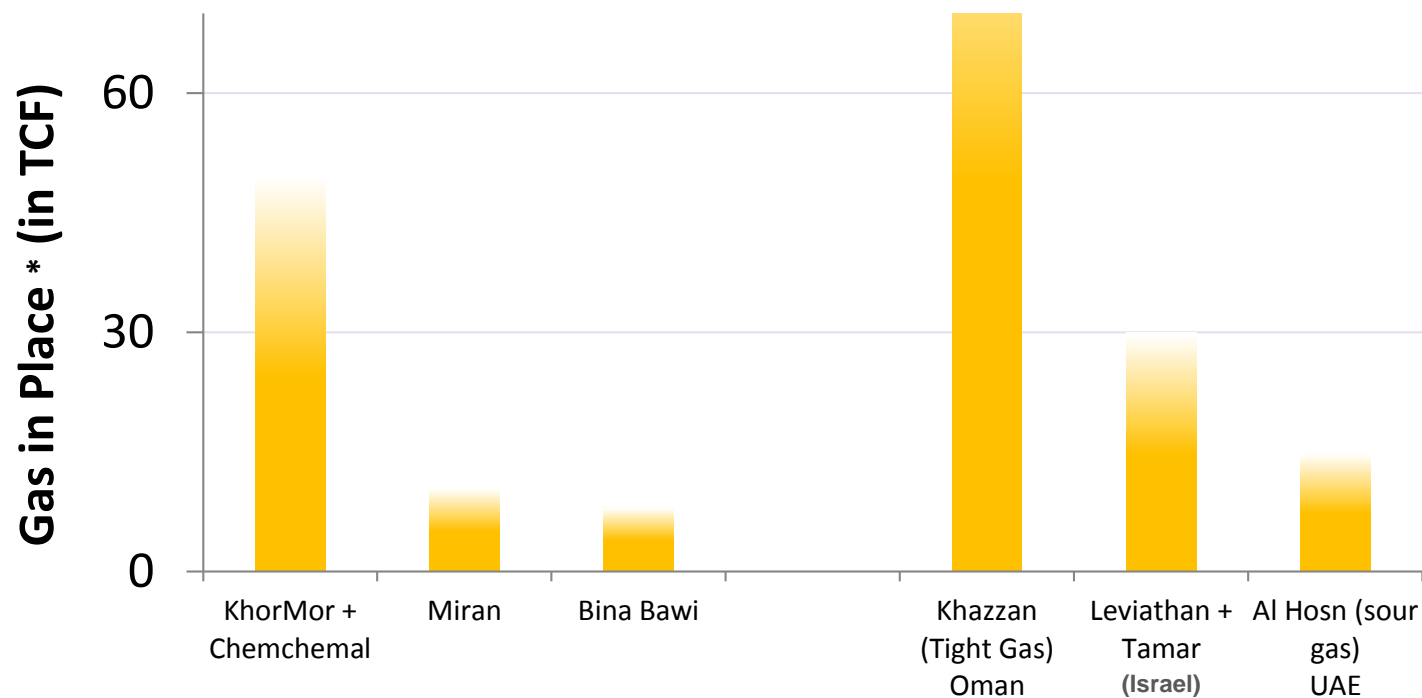
Khor Mor Field Production, Dana Gas net share (40%)



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

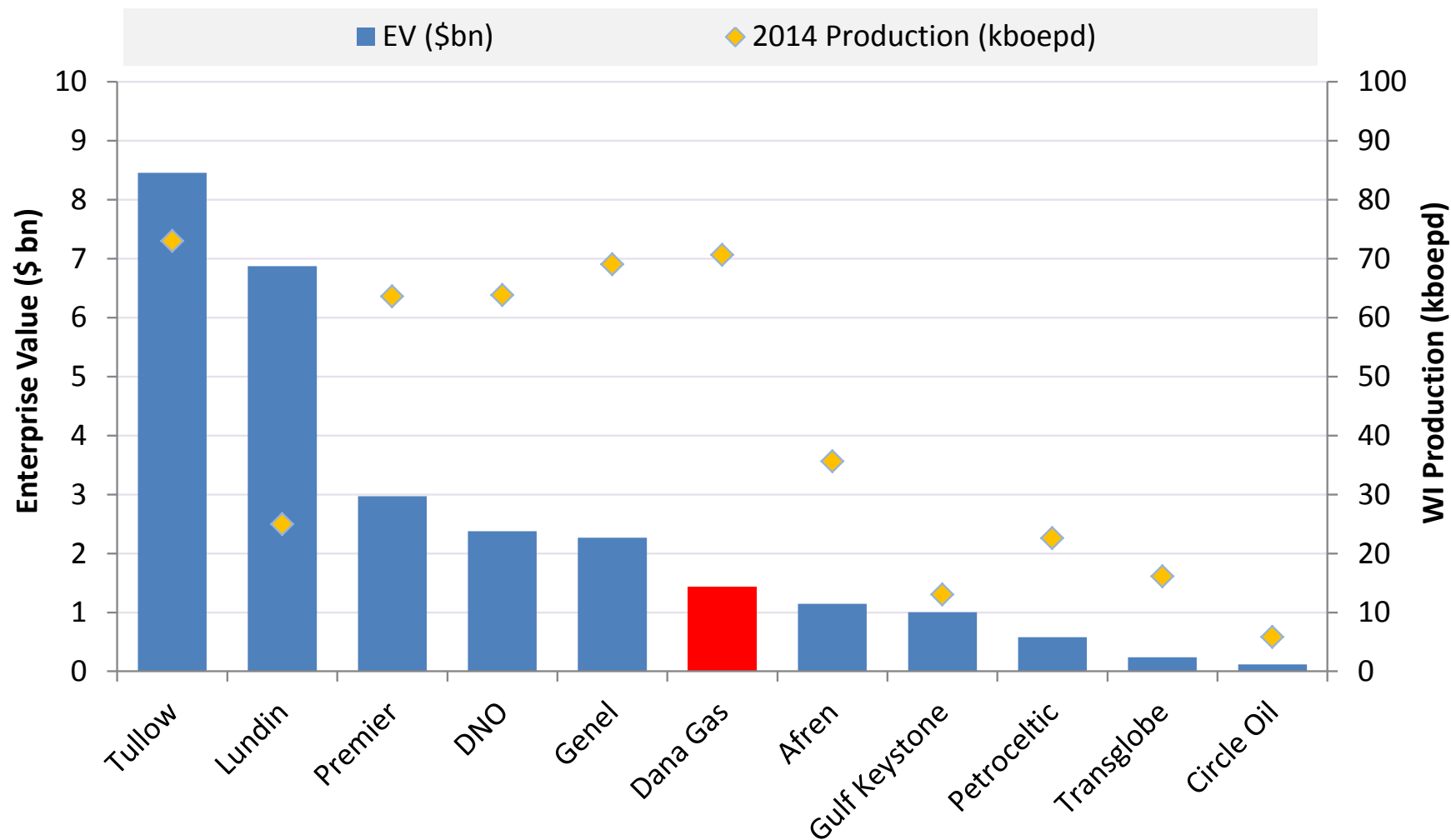
**Key MENA gas fields
under development**



- Overall project progress is in line with plans for first gas in 1H 2015 with a capacity of 40 mmscfd (6,650 boepd)
- Offshore Pipeline 100% completed
- Offshore platform jacket has been placed and piled in February 2015.
- Topsides Construction Progress is 64%
- Onshore plant 60% complete.
- Drilling planned to start April 2015.

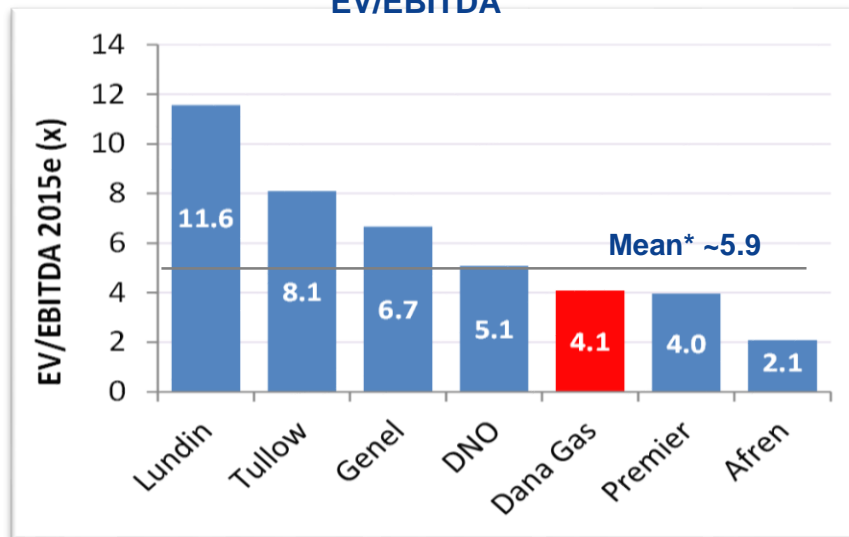
Dana Gas: Relative Valuations

Enterprise Value vs. Production (2014E)

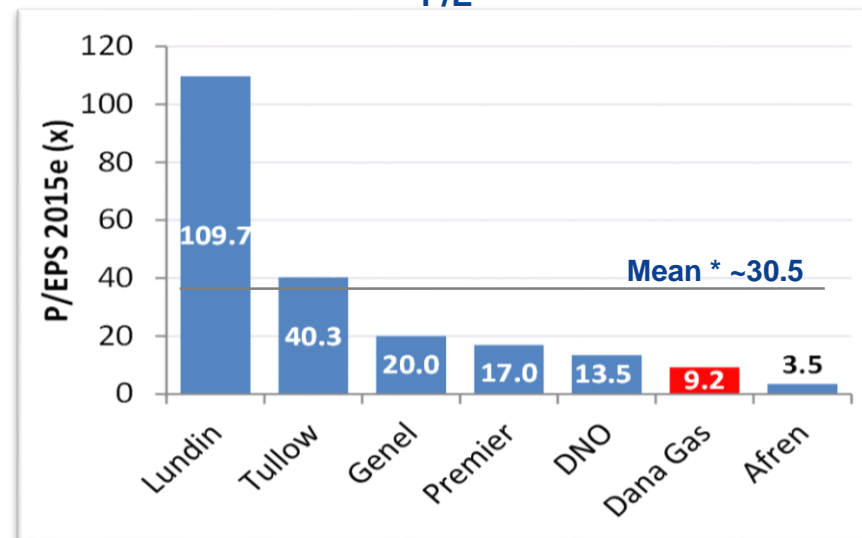


Significantly undervalued relative to peers

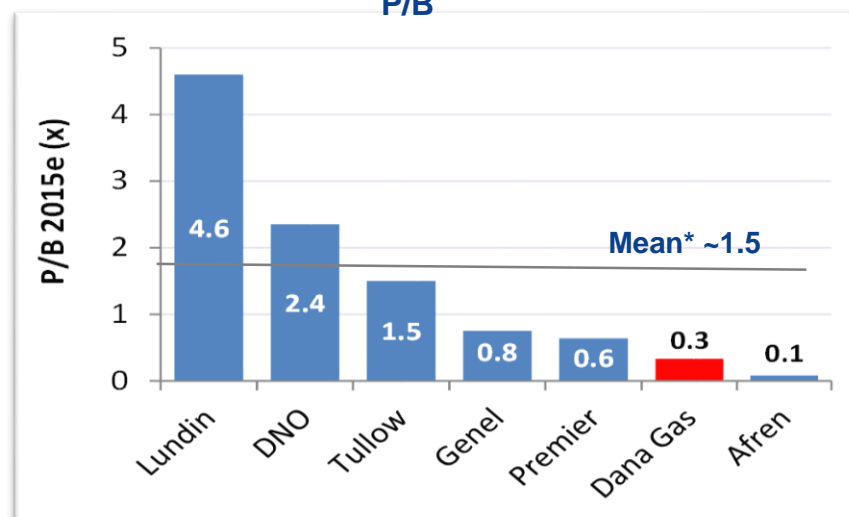
EV/EBITDA



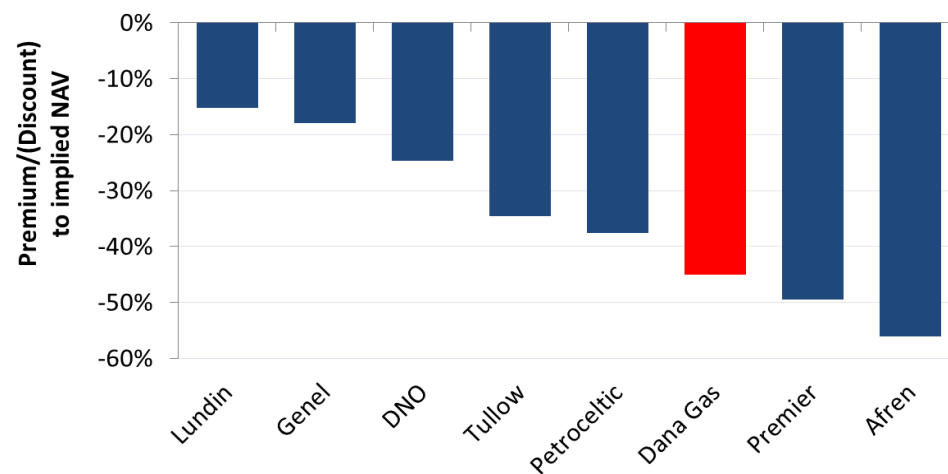
P/E



P/B

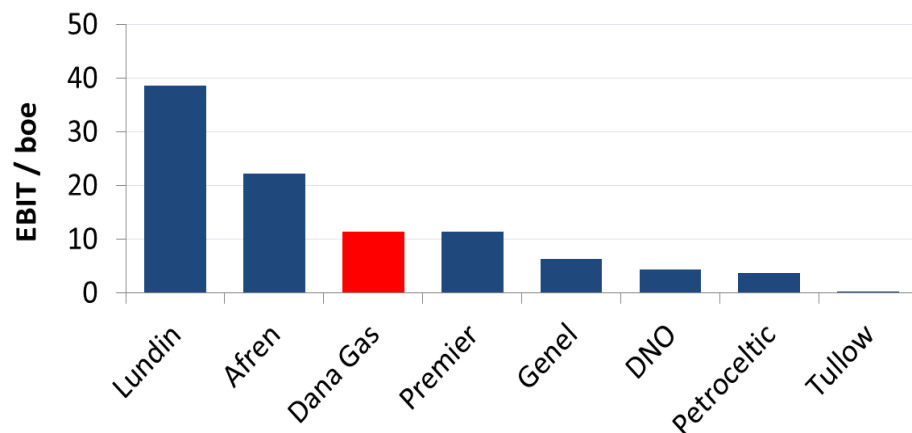


Premium / (Discount) to implied NAV

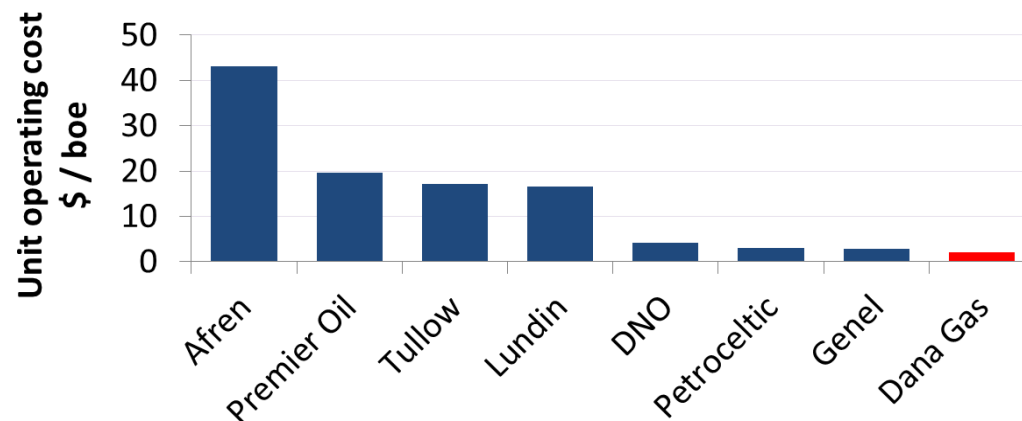


Dana Gas is an efficient, low cost operator with modest gearing and debt service obligations

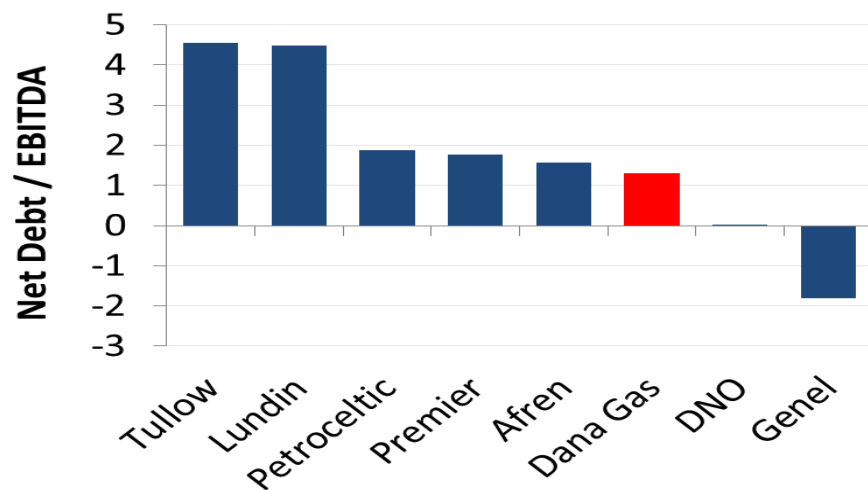
Profitability per unit barrel



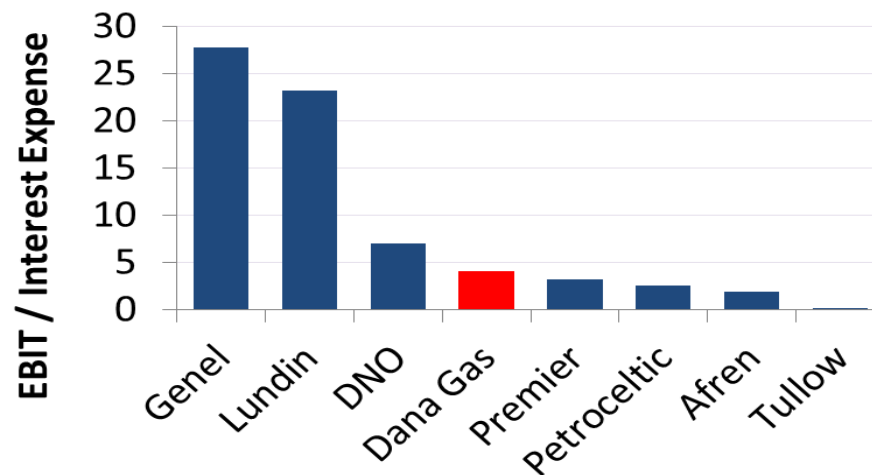
Operating Cost per barrel



Debt servicing



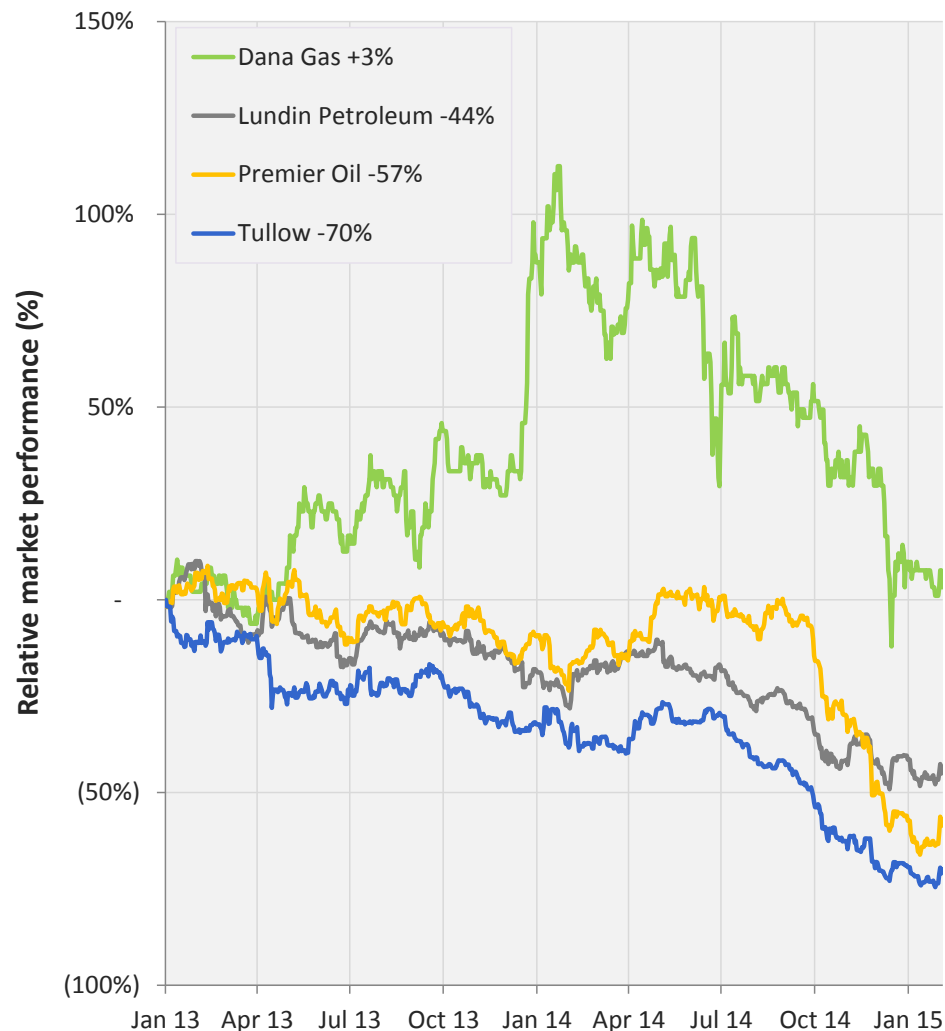
Debt servicing



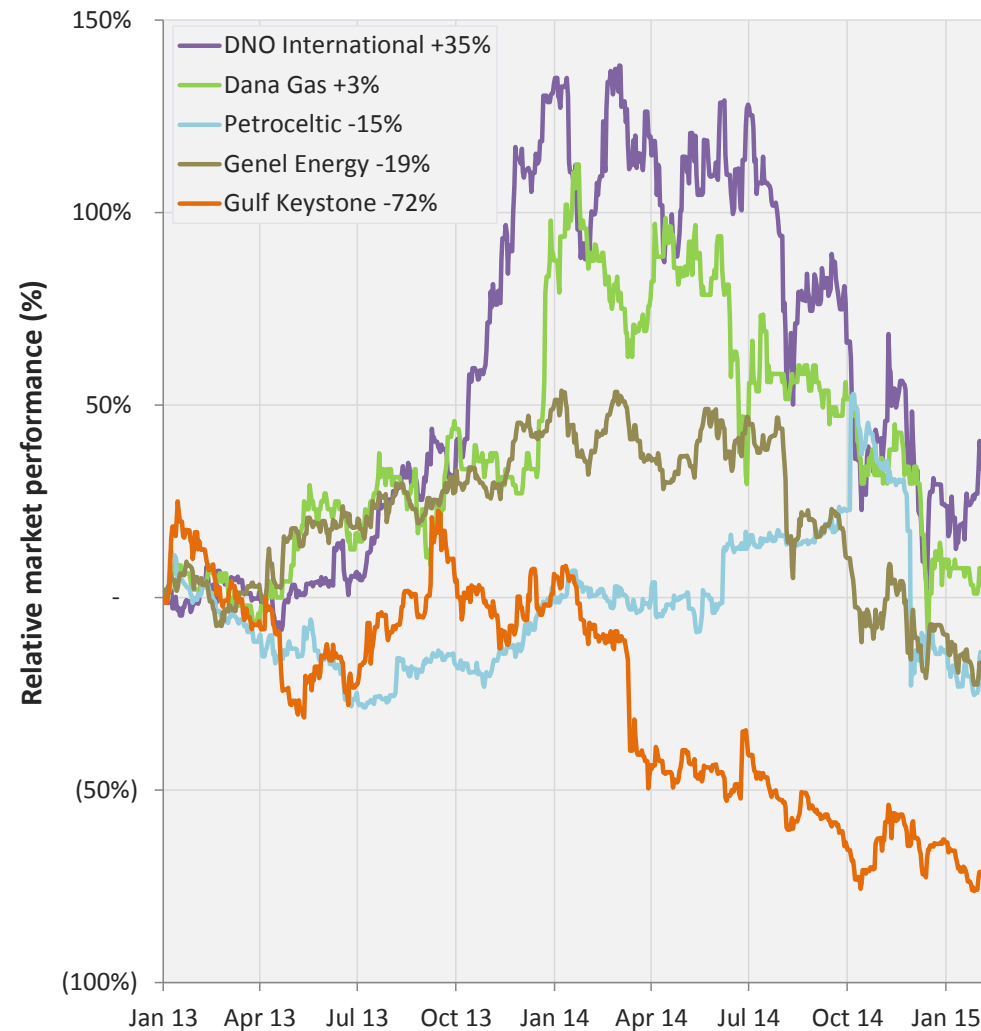
Dana Gas has mostly outperformed International and Middle Eastern (ME) peers since Jan 2013



International Peers



ME Peers



Summary

Summary



- It has been a difficult operating environment for all of the reasons that have been identified and yet Dana Gas has continued to deliver excellent operating and financial results
 - This speaks to the quality of our assets, both geological, physical and our staff
- Production has significantly increased (6%) as have revenues despite the significant downturn in oil prices in the second half of 2014
- In Egypt, collections were the highest since our operations began in 2007. In the KRI local sales restarted a revenue stream to cover both local costs and to contribute towards corporate commitments. However, despite the collections in Egypt and the KRI overall receivables increased to \$ 979 million
- The GPEA in Egypt has put in place a mechanism that allows the Company to recover its receivables gradually through time and to extract the maximum value out of the assets for our shareholders
- Dana Gas and its Consortium partners continue to pursue multi-billion dollar claims in the arbitration against the KRG for breach of contractual commitments, which will be determined in a merits hearing that has been ordered by the Tribunal to take place the week of 20th April 2015.
- The Company has put considerable effort into its successful attempts to access opportunities with material growth potential and now has assets, which, in case of success, would be transformational for the Company
- A strong operational performance, our improving collections position and focus on lowering costs (Opex and G&A reduced by 17% and 12.5% respectively) on a year-on-year basis has resulted in a stronger balance sheet
- Altogether we are proud of the achievements we have made in 2014 and the contribution we have made to enhancing shareholder value and the quality of life of the communities in which we operate
- Dana Gas is now in a strong position to make significant strides in becoming the largest independent regional E&P company and to generate long-term value for its shareholders

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