

Clean Energy For the MENA Region's Tomorrow



Dana Gas Investors Presentation

March 2016

Forward Looking Statement



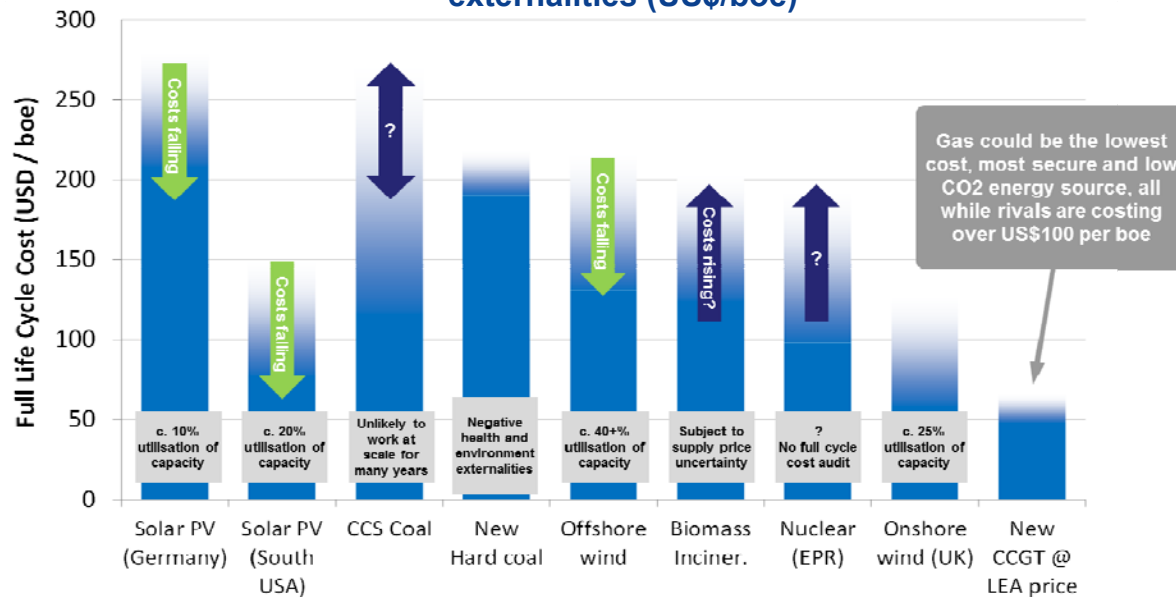
This presentation contains forward-looking statements which may be identified by their use of words like “plans,” “expects,” “will,” “anticipates,” “believes,” “intends,” “projects,” “estimates” or other words of similar meaning. All statements that address expectations or projections about the future, 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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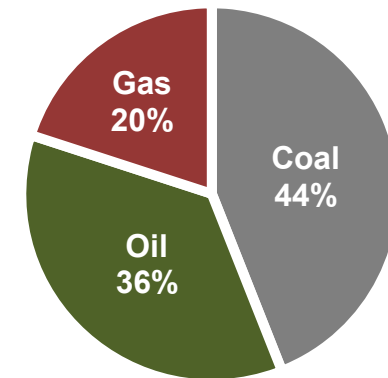
- Gas – Growth fuel in MENA
- Dana Gas – Overview
- Country Operations – Egypt and KRI
- Project Update – Zora Gas, UAE
- Credit Metrics
- Relative Valuations
- Summary

Gas is the growth fuel of the 21st Century.
 Gas has strong environmental credentials and is cost competitive

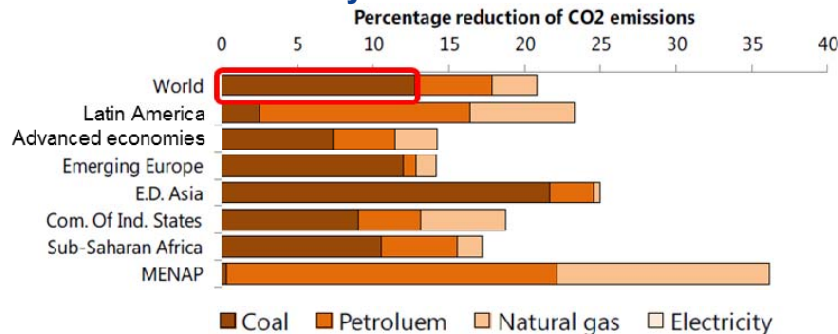
Current full lifecycle costs for new-build power generation including externalities (US\$/boe)



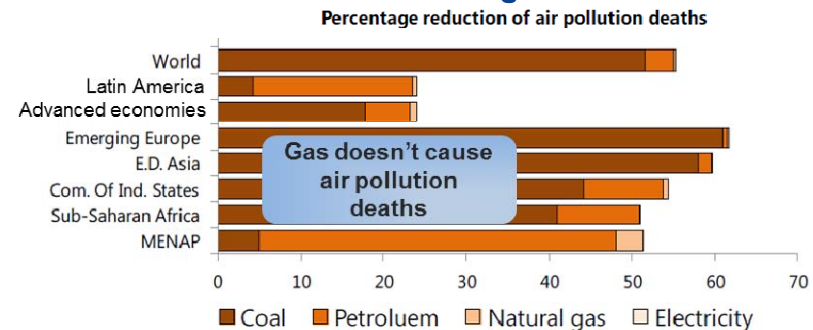
CO2 emissions from fuel
 (% share of global emissions)



Switching from coal to gas could reduce CO₂ emissions by more than 12%...



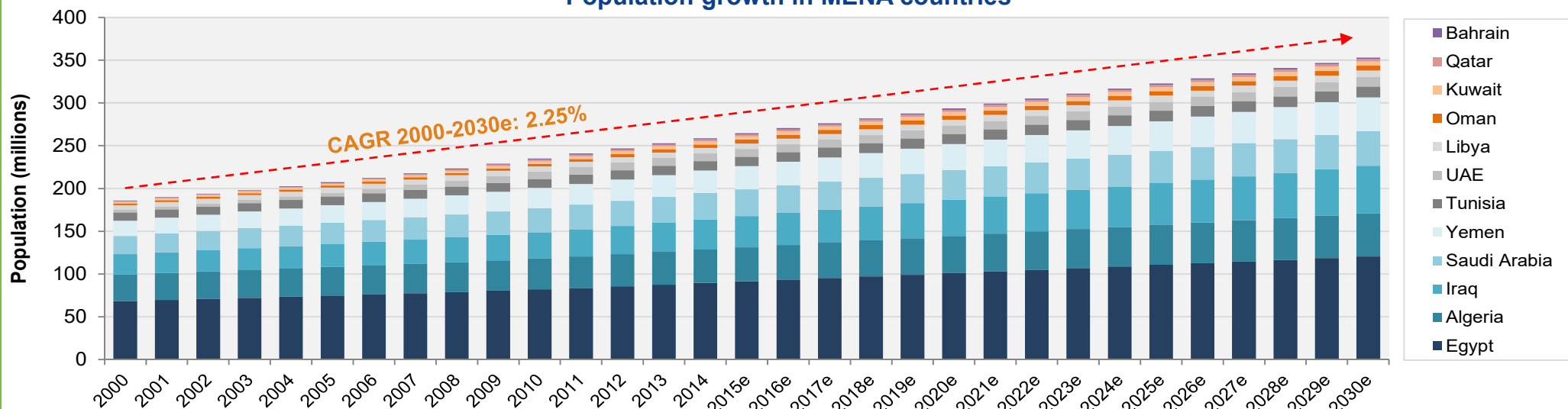
...and Air Pollution Related Deaths by more than 50% according to the IMF



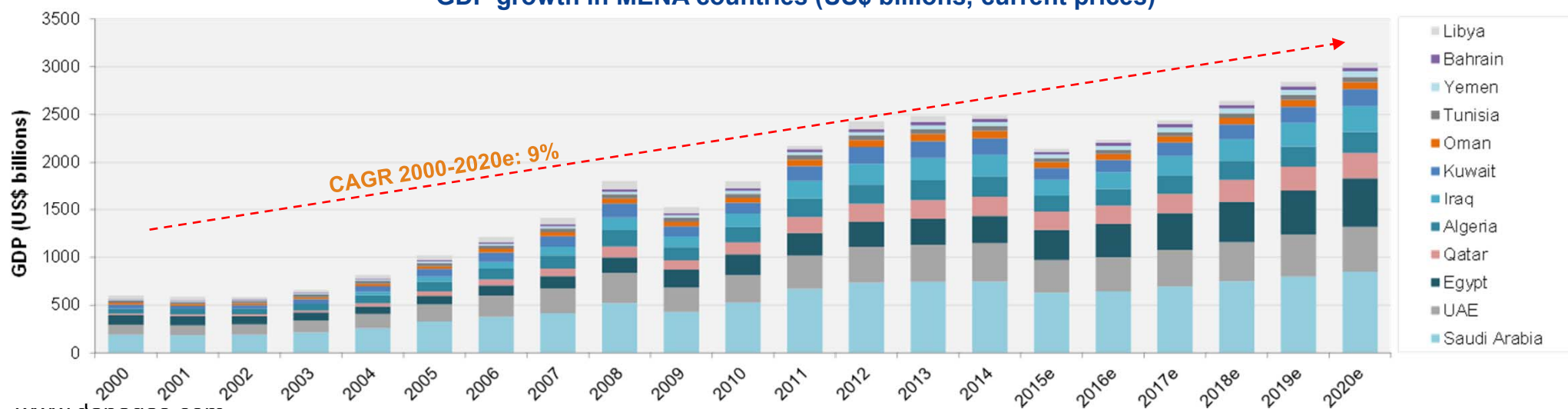
Assume: Europe coal US\$62/tonne, NW Europe spot gas at price band of US\$8-11/mBtu, 80% load factor, €7.0/tCO₂; uses IMF May 2015 estimates for coal and gas air pollution and GHG externality costs
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MENA region has strong economic growth credentials.
Energy requirements of the region are expected to increase.

Population growth in MENA countries



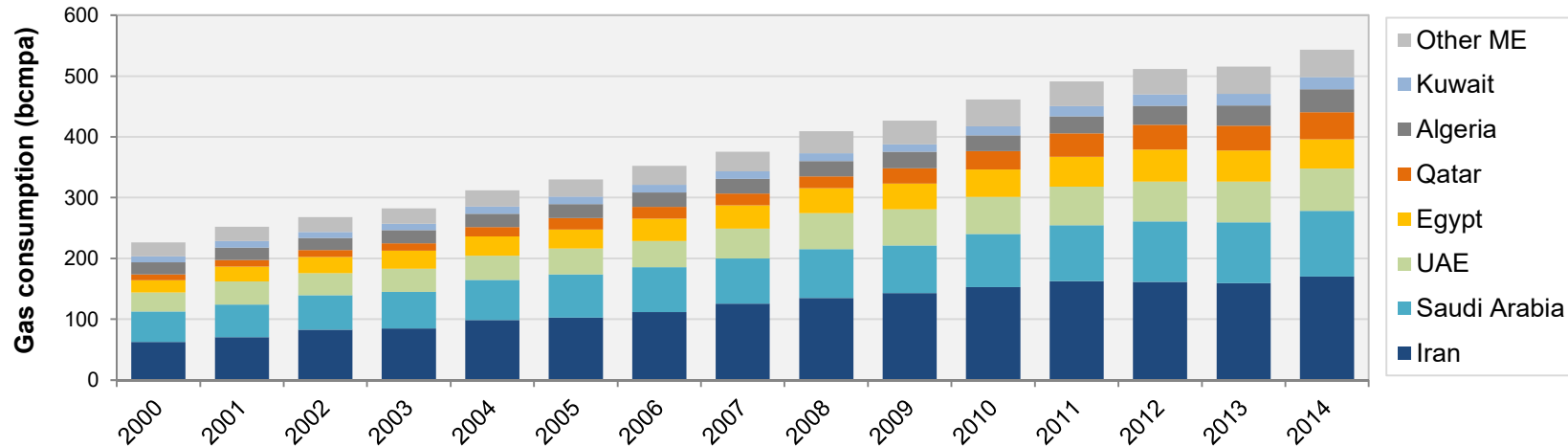
GDP growth in MENA countries (US\$ billions, current prices)



MENA gas demand is growing strongly. Dana Gas is well placed to be one of the region's leading independent suppliers of this gas.



2000-14 MENA gas demand (bcm)*



Gas demand growth

(2000-2014 CAGR)

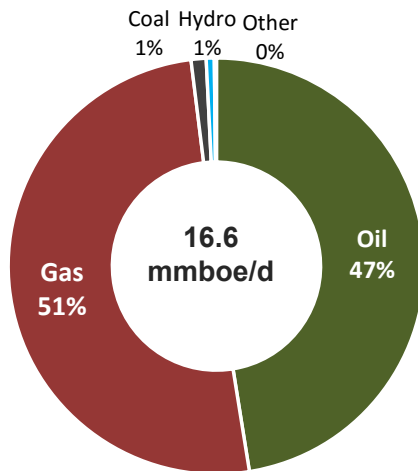
China – 14.5%

MENA – 6.4%

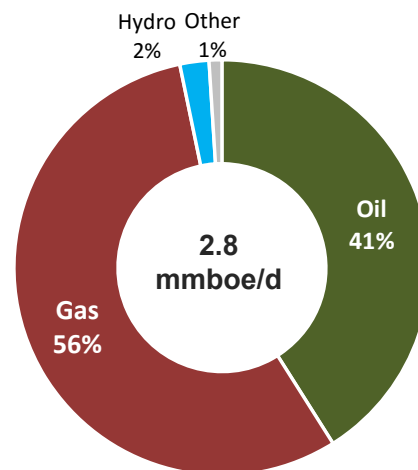
US – 1%

Gas use as share of total primary energy demand

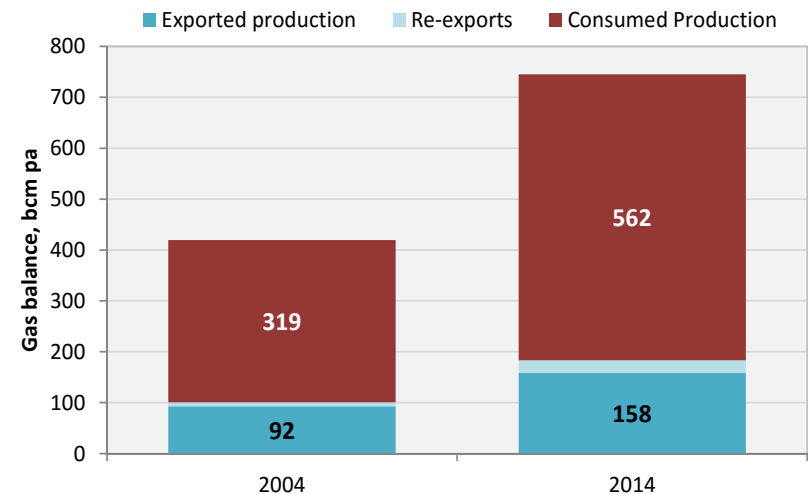
Middle East



North Africa (Algeria + Egypt)



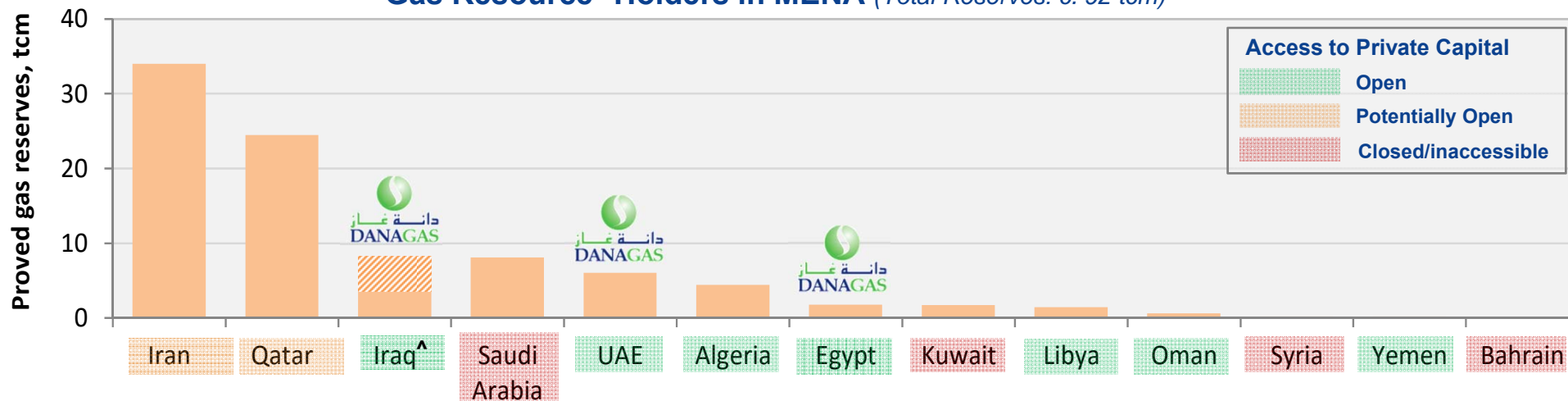
Supply demand balance of MENA overtime



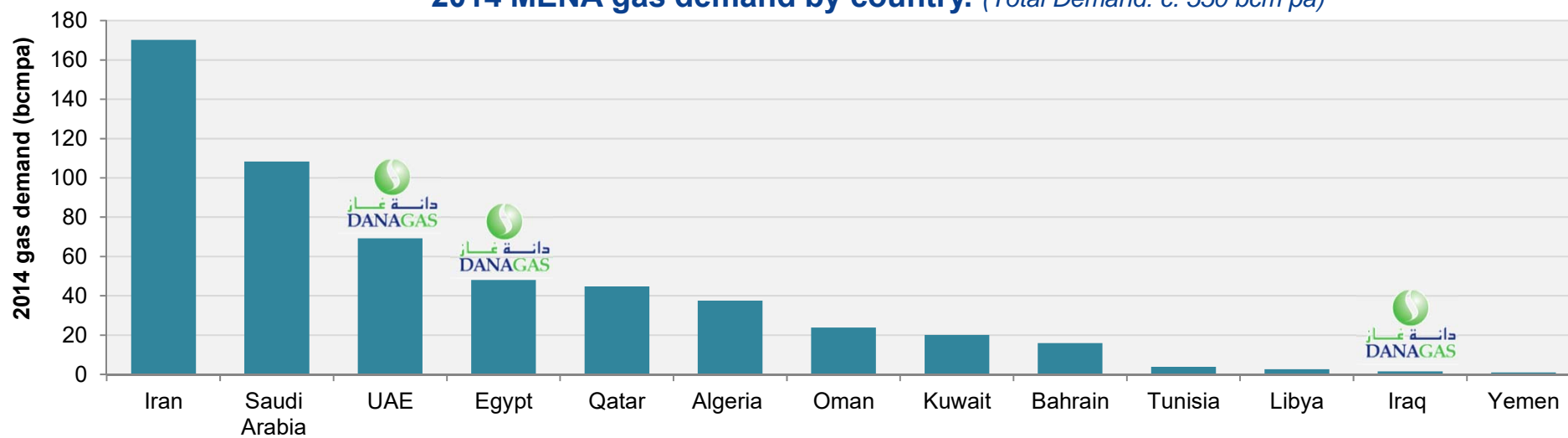
Dana Gas as regional gas integrated player focused on matching resource with markets



Gas Resource* Holders in MENA (Total Reserves: c. 92 tcm)



2014 MENA gas demand by country. (Total Demand: c. 550 bcm pa)



www.danagas.com *60-70% of Middle Eastern gas resources are associated gas (IHS). ^ Iraq total includes KRI resource estimate

Source: BP Statistical Review 2014, BMI

Dana Gas – Business Profile

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



- Dana Gas is a MENA focused gas independent headquartered in the UAE
- Quoted in the Abu Dhabi Securities Exchange. Bloomberg: DANA:UH
- Shares outstanding: c. 6969 million
Market capitalisation: c. \$ 911 million (on 16/02/2016)
Enterprise value¹: \$ 1.292 billion
- Net Debt/(Cash)²: \$ 379 million (2015 YE)
- Current Production: 63.9 kboepd (2015 YE)
- 2P Reserves³: 686 mmboe (2015 YE)
- Strong Corporate Governance 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



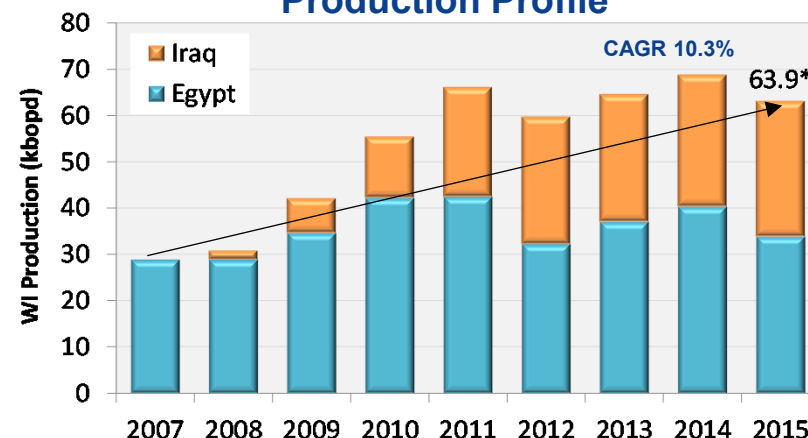
Dana Gas works across the gas value chain addressing both domestic and export market needs in MENA region



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

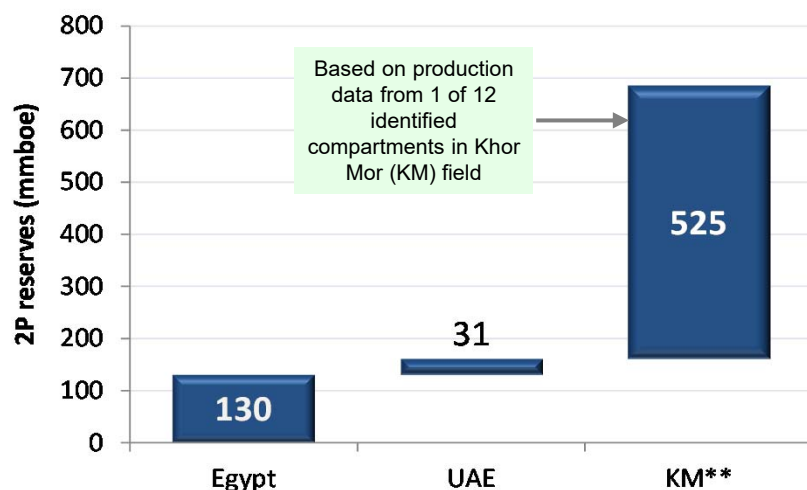


Production Profile



Net reserves & resources (YE 2015)

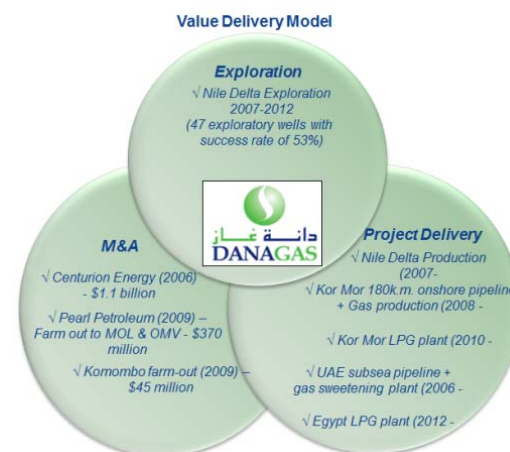
2P reserves (Gaffney Cline & Associates 2015, Pearl Petroleum)



Midstream 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

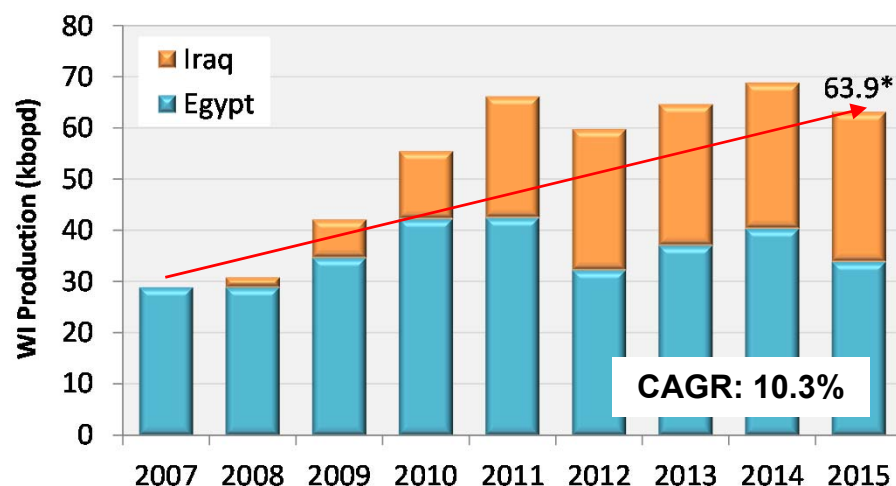


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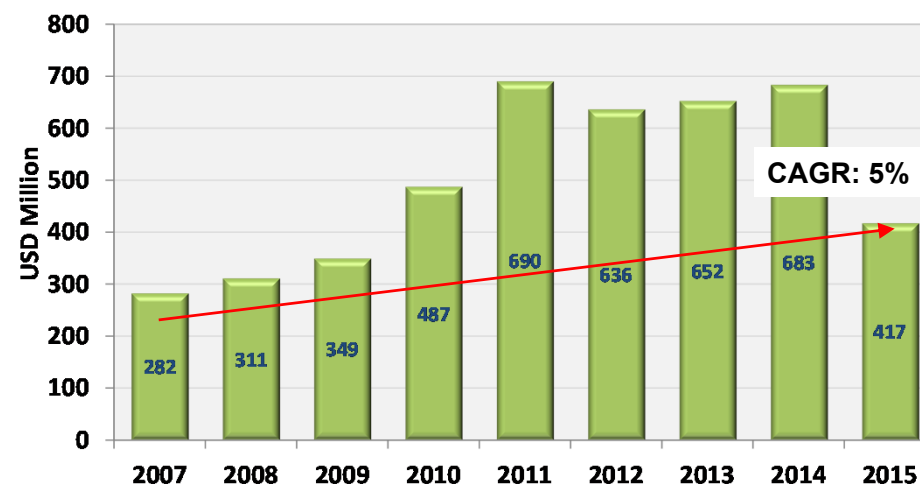
*Includes 700bpd from EBGDCO (LPG plant) **In addition to the KM 2P reserves identified by Pearl Petroleum (PPCL) based on current production, PPCL also estimates total risked in place resource volumes (P50) of 75tcf of gas and 7bn bbl of oil in KM and Chemchemical fields

Consistent production growth, delivery and financial performance since 2007

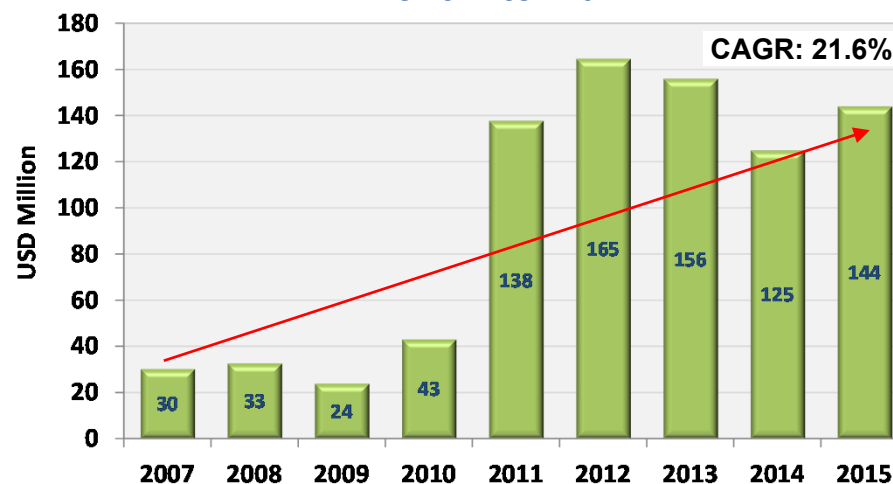
Production



Revenue



Profit After Tax

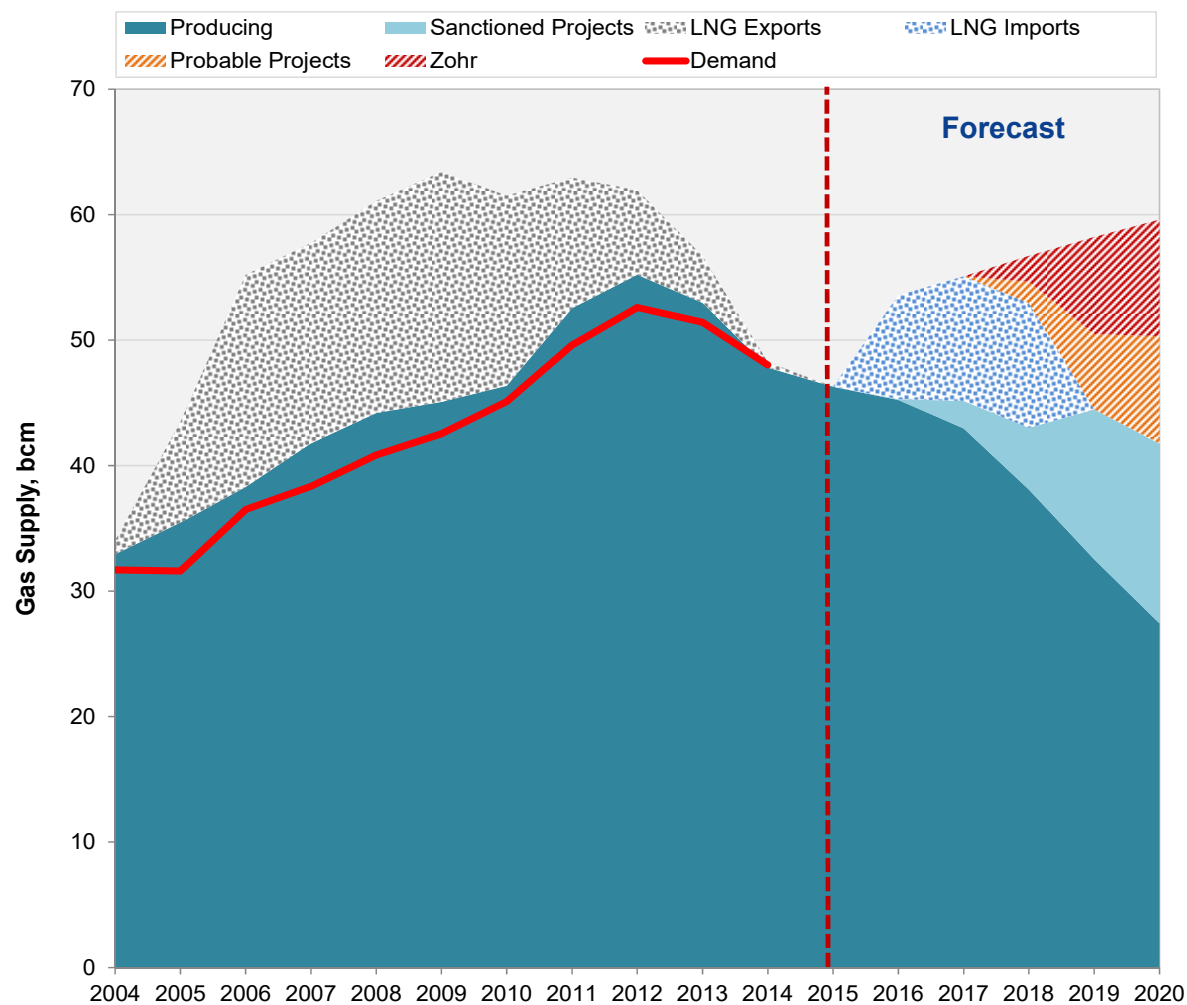


Dana Gas: Country Business Highlights EGYPT

Egypt gas market fundamental are sound.
New gas discoveries and gas imports are likely to return Egypt's domestic demand to its historic growth trajectory

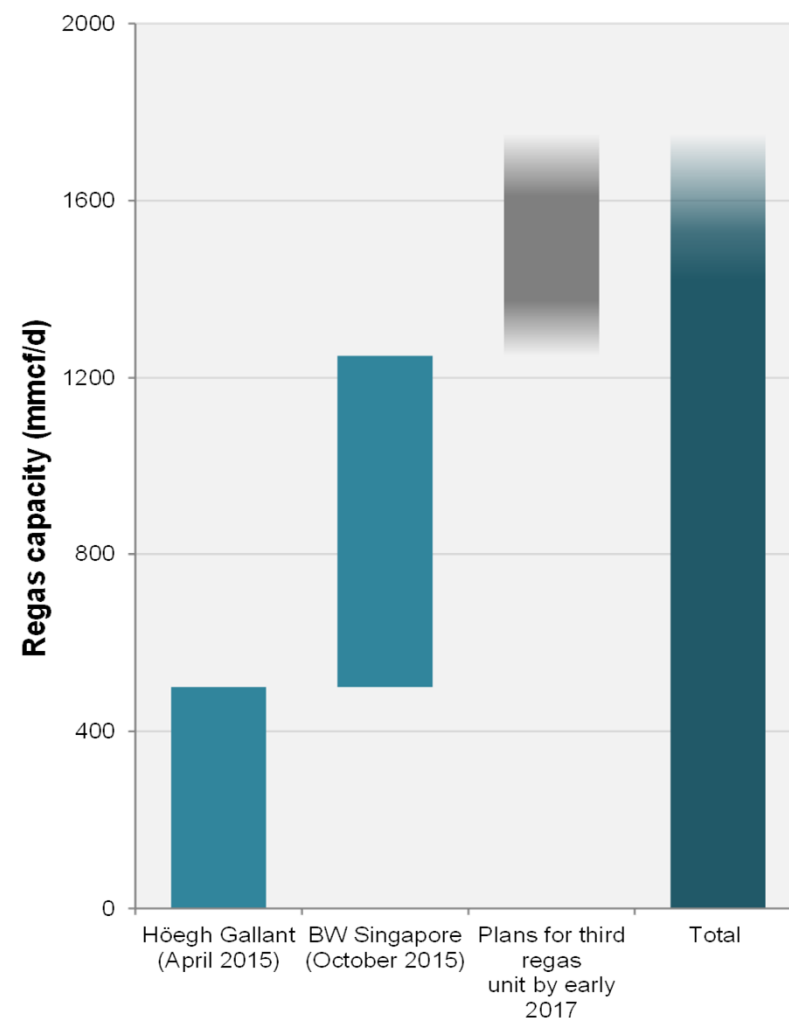
Egypt annual gas supply/demand balance (post Zohr)

(Source: Woodmac)



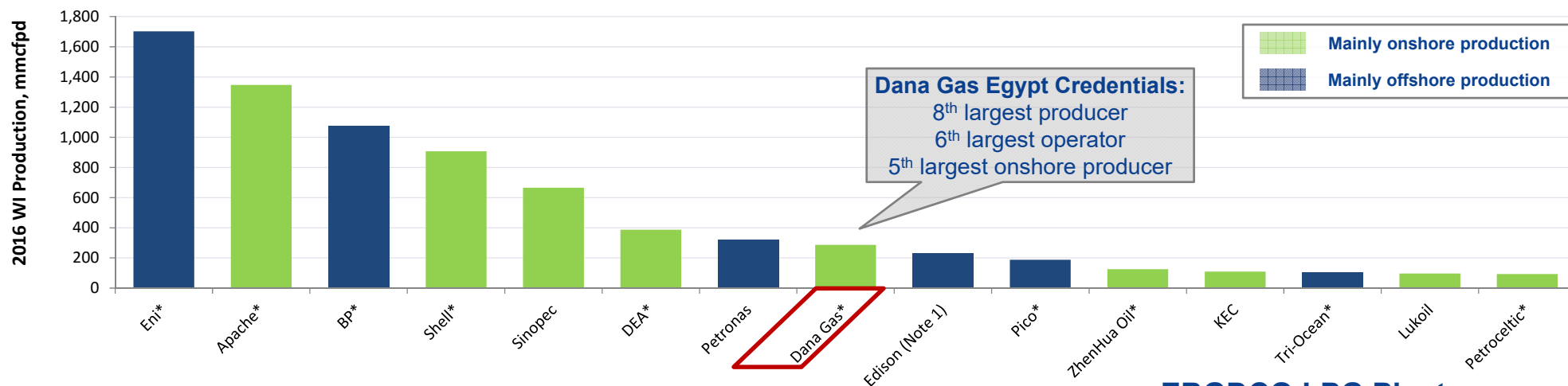
Egypt's current and planned regas capacity

(Source: company data, Interfax)

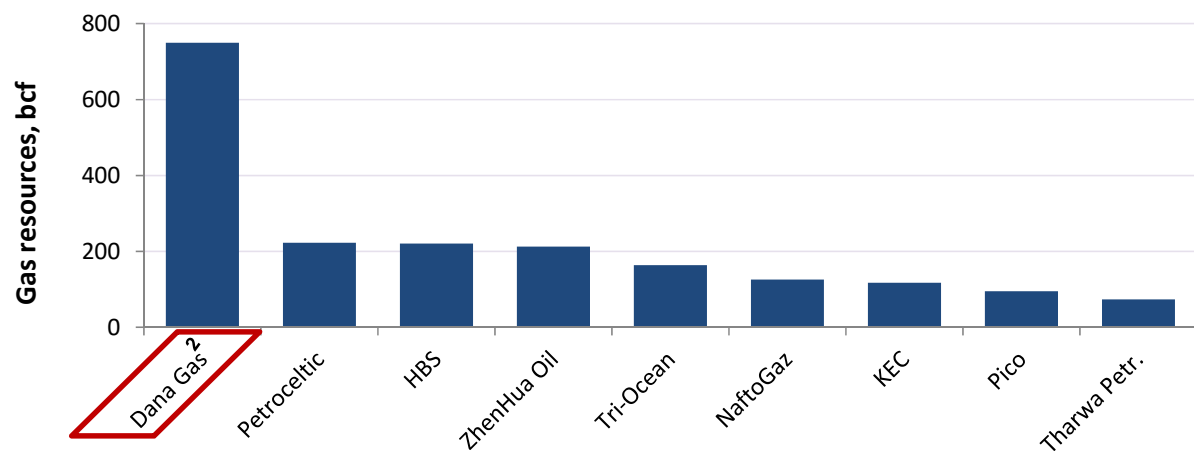


Dana Gas is the 6th largest operator and 5th largest onshore producer in Egypt

2016e Gas Production Ranking in Egypt (Source: Woodmac)
(* denotes company is an operator)



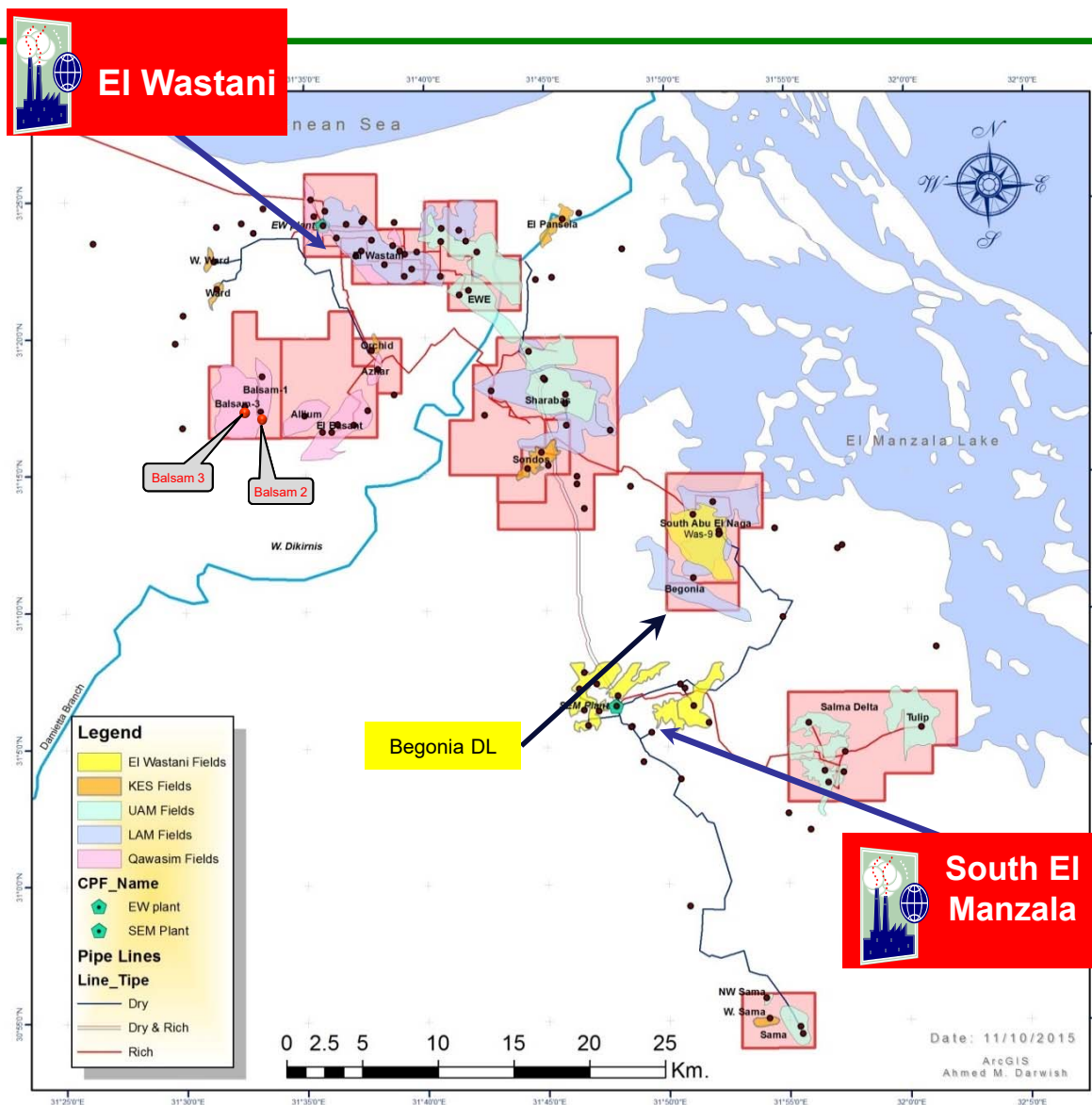
Gas Reserve Ranking of Independents in Egypt
(Source: Dana Gas, Woodmac)



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



Egypt: Nile Delta Operations



Development Leases:

- Onshore acreage consisting of 14 Development Leases in the prolific Nile Delta region

Production:

- 4Q 2015 avg 32.2 kboe/d versus 37.6 kboe/d for 4Q 2014. Decline in production followed a steady and predictable downward curve associated with normal field decline which was partially reversed when Balsam field production and well completions were brought on stream in 4Q 2015.

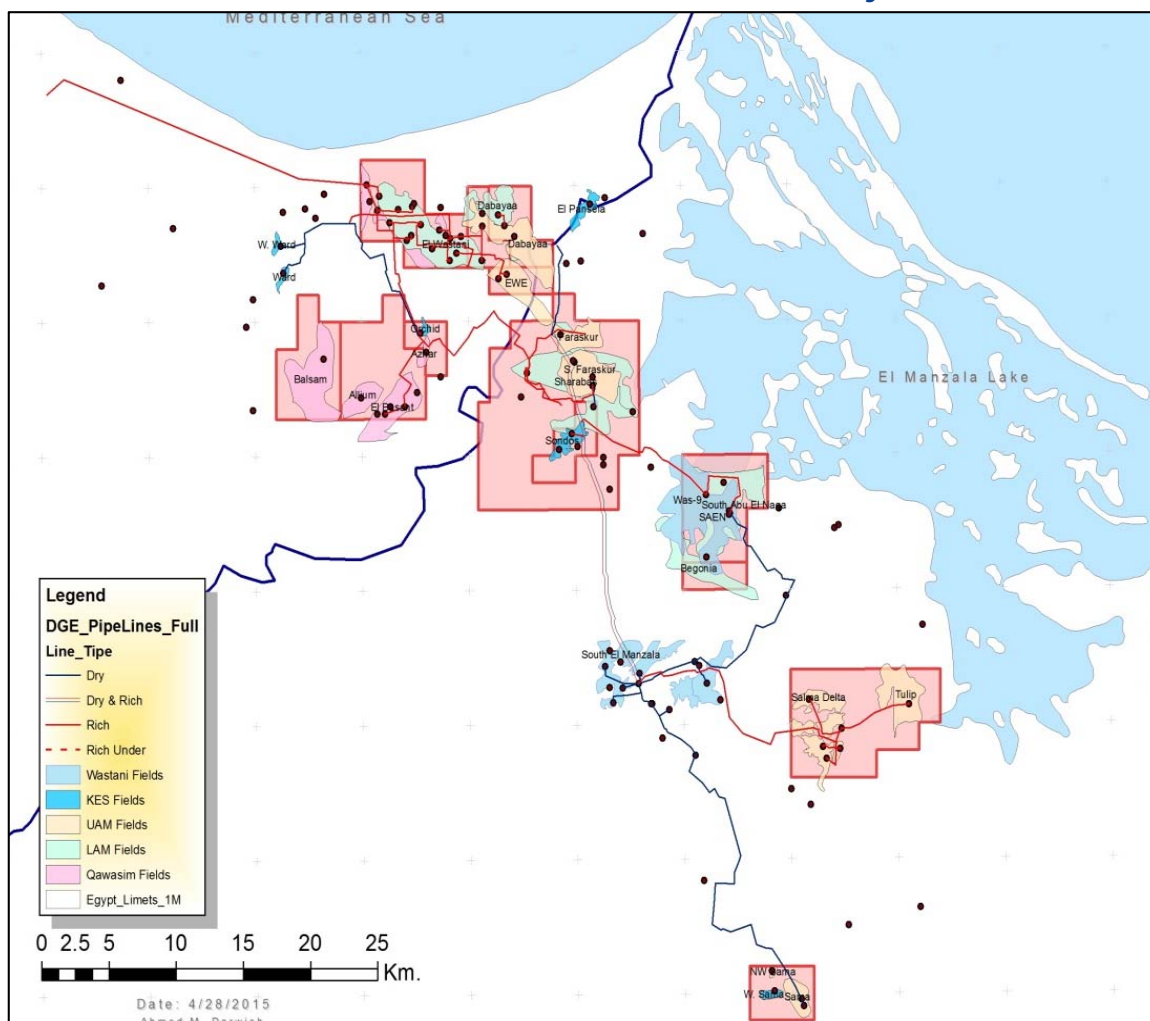
Operations:

- Post Balsam-2 and Balsam-3 completions, SD-4, SF-5 and SAEN-7 wells were successfully completed in 4Q 2015.
- SF-5 has hit KES pay with 2 new accumulations named Roaa and Anes. SAEN-7 proved a separate compartment with deeper gas water contact.

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

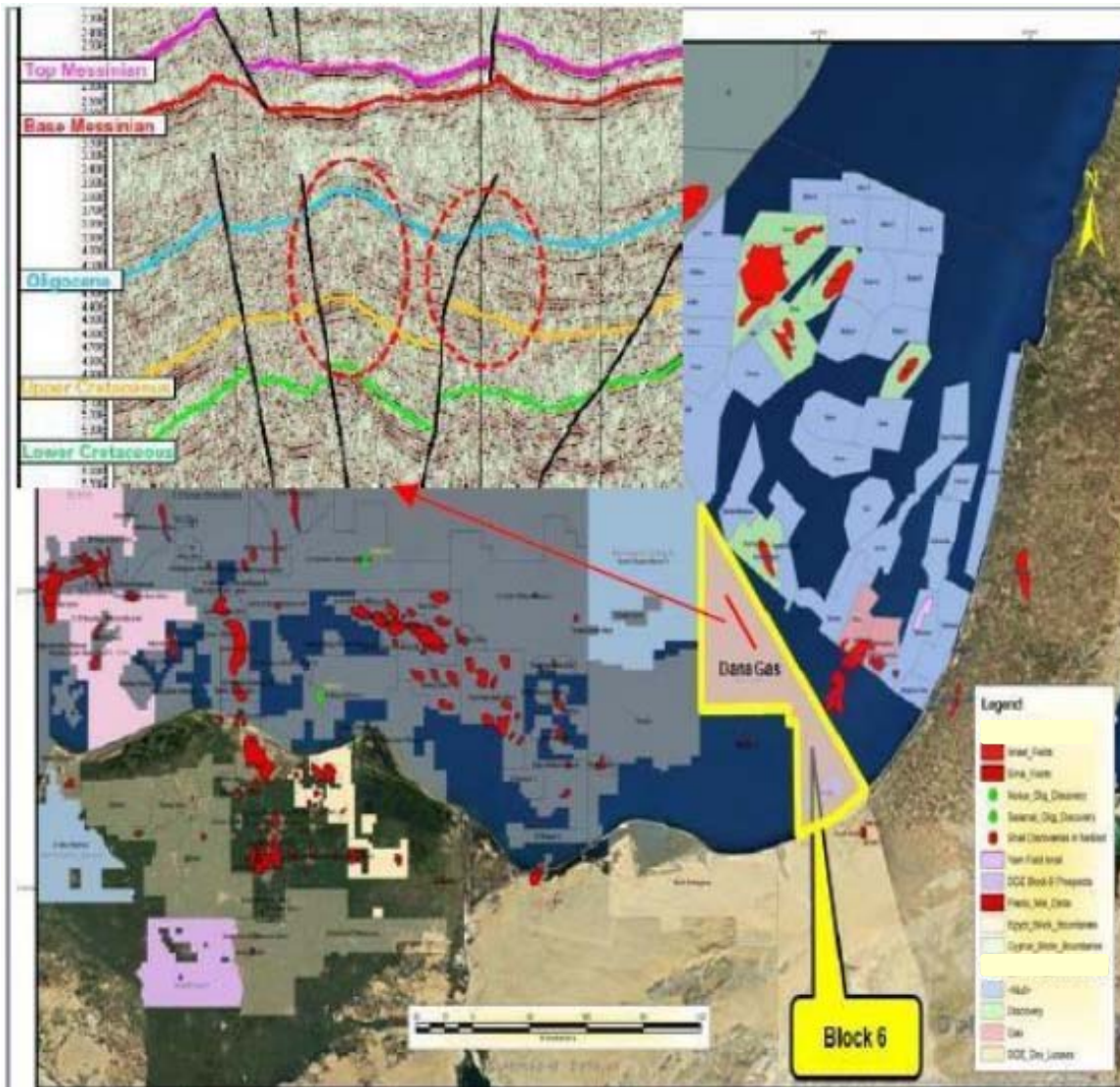


Gas Enhancement Project – Execution Progress



- Longest gas column encountered in Dana Gas Egypt portfolio.
- Pulse test between Balsam-1 and Balsam-2 indicated single compartment.
- Significant reserve add with higher than expected condensate to gas ratio.
- Proven plus probable reserves in the Horst structure certified by GCA have increased by more than 50%.
- Balsam-3 discovery well has proved up the play in the western part of the development lease
- This is a separate hydrocarbon filled structure from Balsam Horst increasing the resource base in this development lease with 2P estimated ultimate recovery of 73.4 bcf.
- Based on Balsam-3 results, further 2 exploration wells and 1 development well are planned within development lease in 2016.

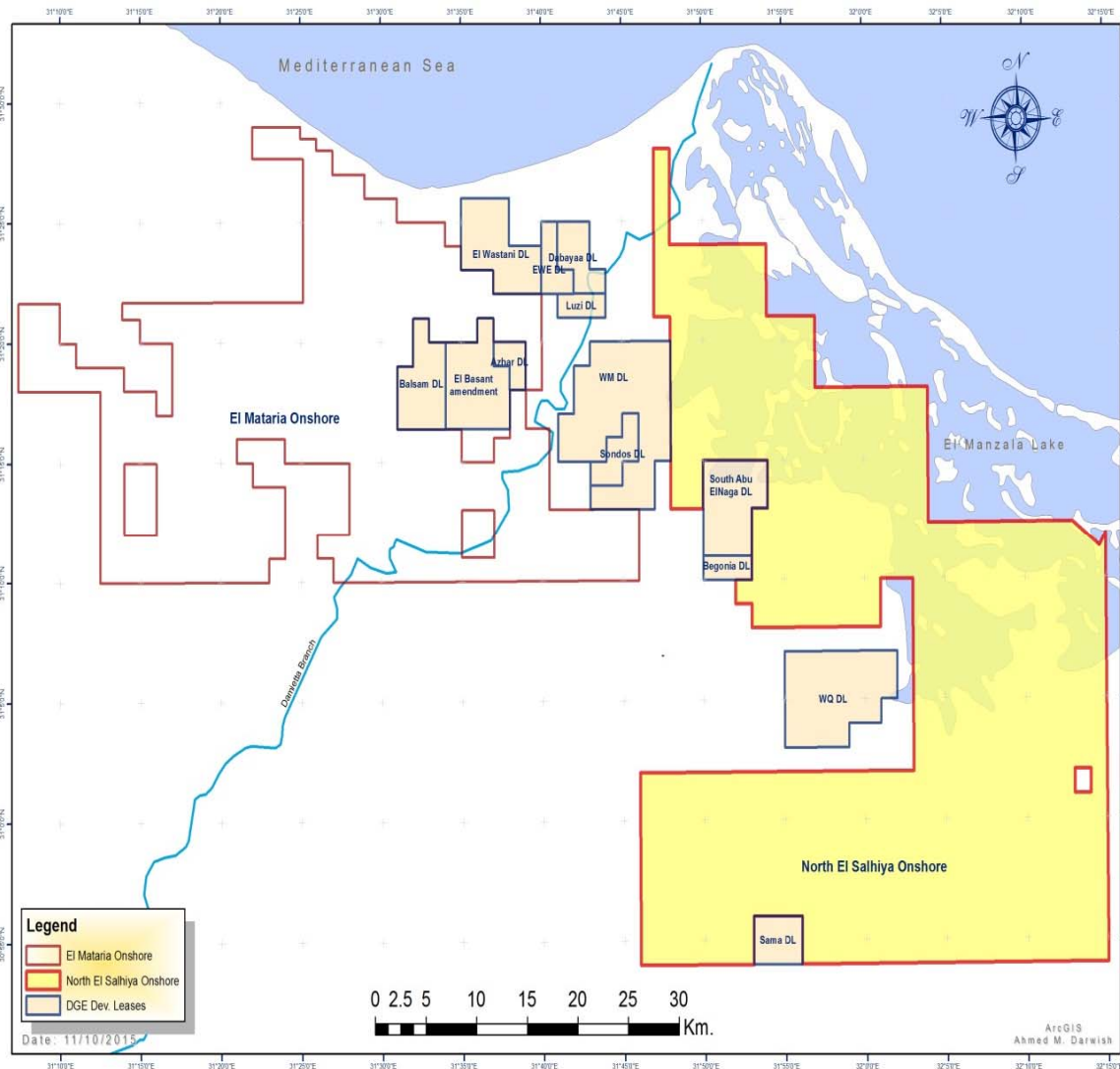
Block 6 – North El Arish Offshore Opportunity



- Block-6 (100% WI)
- 1782 sq km of full fold 3D seismic acquired in October 2015 by PGS Ramform Titan boat.
- 3D seismic processing completed in January 2016.
- Initial processing results indicates numerous play types with significant potential based on offset discoveries
- Farm-out activities have started and interest has been shown by other players.

Egypt: Block 1 - North El Salhiya Exploration

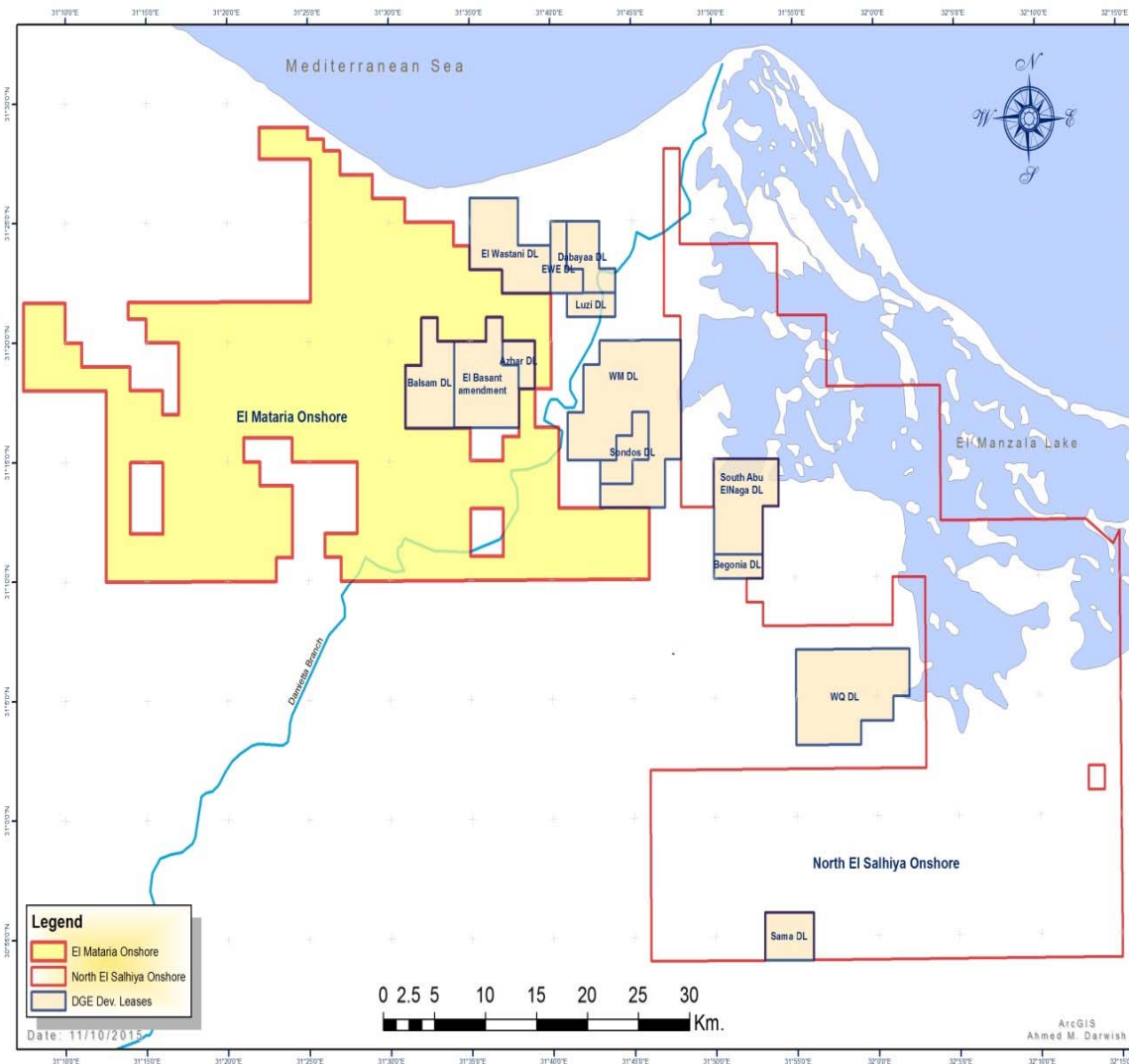
Newly awarded exploration blocks in Nile Delta enables Dana Gas to build on its core area production and utilising existing infrastructure



- Block-1 (100% WI)
- Targets prolific Abu Madi play
- Other plays include: Kafr El Sheikh and Oligocene Activities
- Reprocessing of ~800 sq km of 3D seismic ongoing by Western Geco.
- Tender prepared for the reprocessing of 2D seismic data.
- Plan to drill 4 exploration wells in 2017.

Egypt: Block 3 - El Matariya Exploration

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



- Block-3 (Dana Gas 50% WI)
- BP is operating Block-3 as 50/50 partner. The primary target is the deeper HPHT, and high-potential Oligocene play which has been proven in the offshore Nile Delta with very success rates and with high materiality (multi tcf).
- Expected spud date for Mocha-1 exploration well is April 2016.
- Studies are underway for early production from Mocha-1 well in the event of success.

Dana Gas: Country Business Highlights Kurdistan Region of Iraq

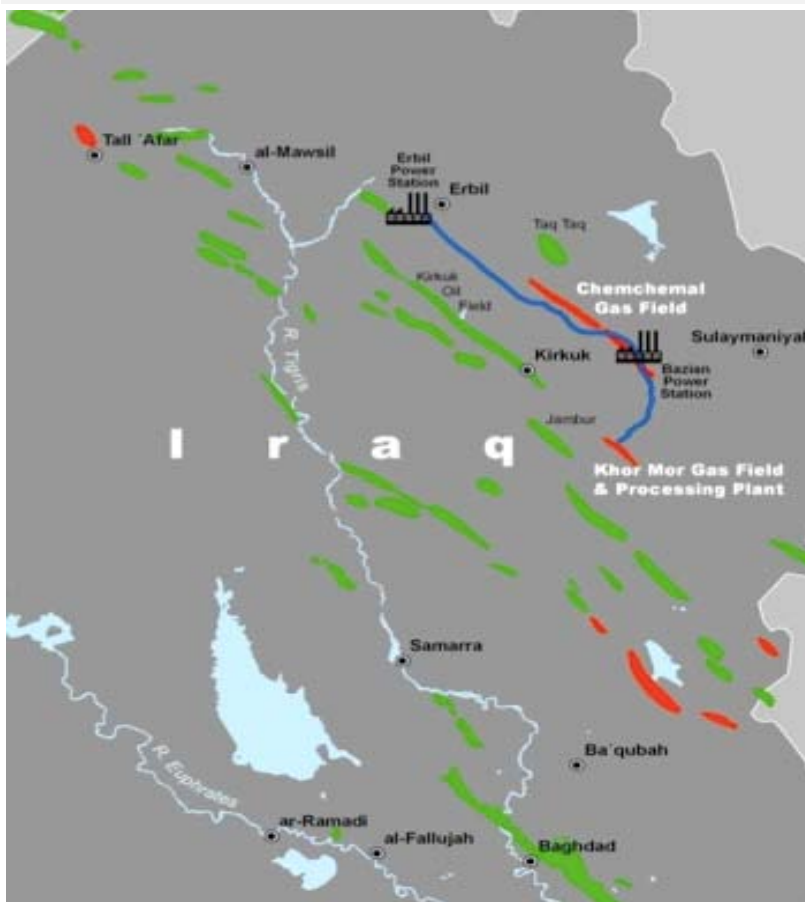


- DG share of production averaged 28,800 boepd during 4Q 2015. Gross production details are as follows:
 - 313 MMscfd of natural gas
 - 13,703 bbl/d of condensates
 - 830 MT/d LPG
- The Mol sieve bed for the first train at Khor Mor plant was replaced in October 2015
- Upon expiry of the direct local sales contract, KRG commenced direct lifting of LPG and Condensate from 20 September and 7 October 2015, respectively from the Khor Mor plant through a nominated local contractor. This continued till December 2015.
- RWE acquired a 10% working interest in PPCL as part of its arbitration settlement in November 2015

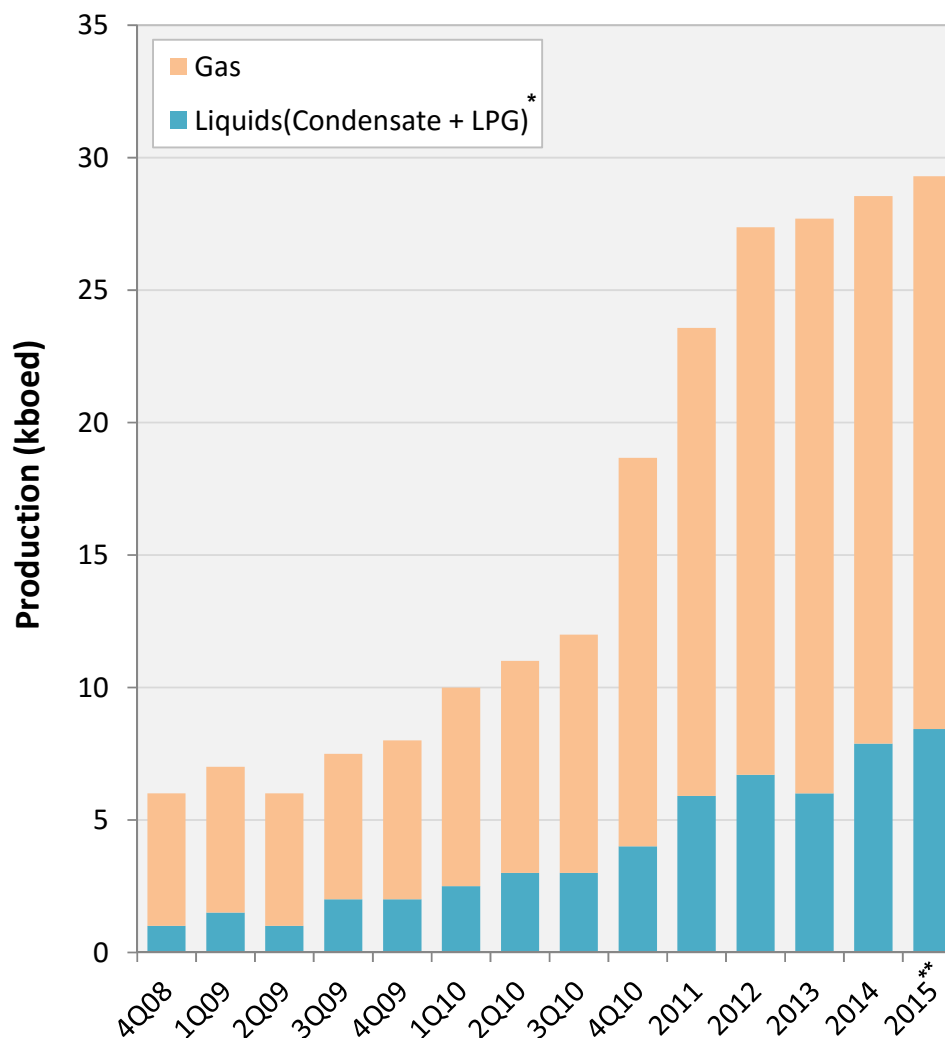
Rich gas and condensate producer with strong growth track record

Pearl Petroleum Company Ltd ownership:

Dana Gas	35 %
Crescent Petroleum	35 %
OMV	10 %
MOL	10 %
RWE	10 %



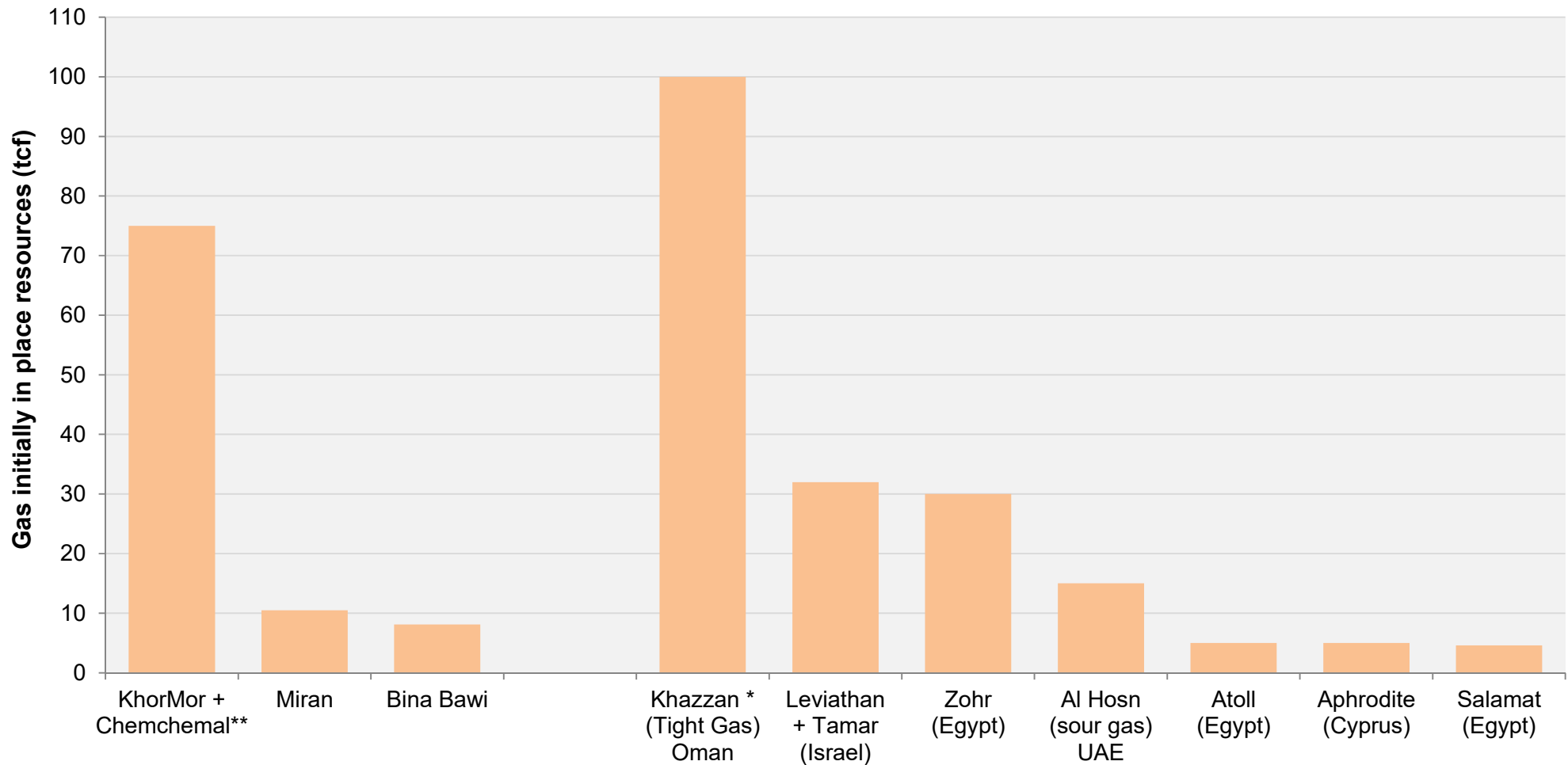
Khor Mor Field Production, Dana Gas net share



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)



Dana Gas: Project Update – Zora Gas, UAE

Zora Offshore Platform - Ready for gas production



- Platform installation, hook up and commissioning completed.
- Wire line operation for un-plugging the well completed successfully.
- Repair works completed on the offshore pipeline, where concrete coating was damaged by Third party vessel anchors.

Zora Gas Processing Plant - Construction completion and handover



- All systems powered up, commissioning activities and start-up ongoing.
- Commissioning of truck loading facility for condensate export completed.



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- First gas delivered to site 10/01/16.
- Pipeline and well cleaned up with well flowing approx. 45 mmscfd.
- Gas production started on 14/01/16.
- Gas processing shutdown again 15/01/16, due to foaming problems. Contaminated chemical inventories changed and pipeline cleaned to remove well fluid liquid build up.
- Gas processing re-started 21/01/16, operating problems encountered with vessel level measurements.
- Remedial modifications carried out and plant returned to operations for start up 04/02/16.
- Plant ready for restart but advised by SNOC that SEWA power station unable to receive gas due to other planned maintenance activities ongoing.
- Planned to re-commence commissioning and start-up end Feb 2016.

Dana Gas: Credit Metrics

Additional financial information

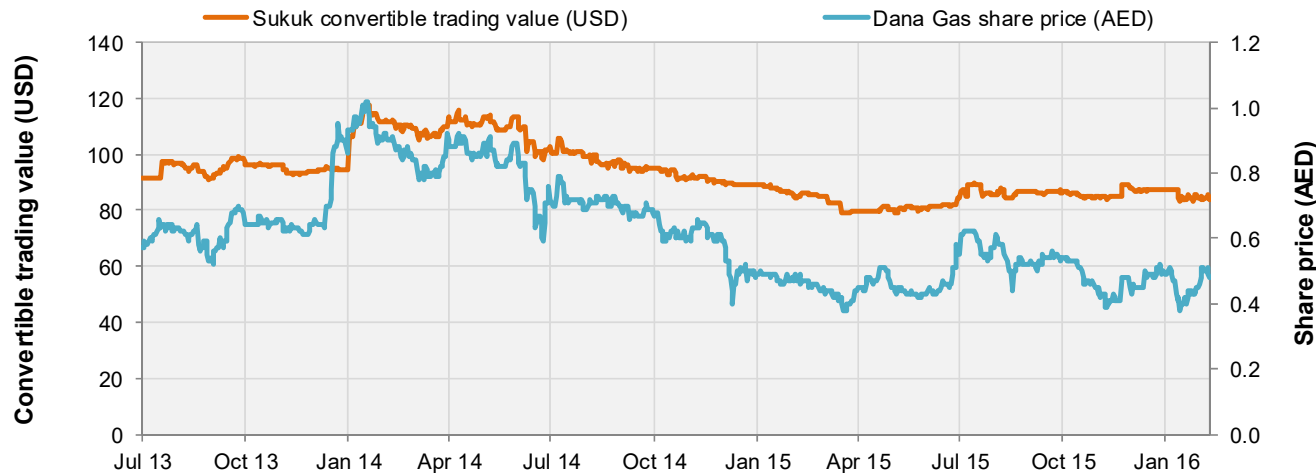


Dana Gas additional financial metrics			
	Period	Unit	Value
EBITDA	LTM	US\$m	191
EBIT	LTM	US\$m	93
Net debt	Current	US\$m	379
Net debt / EBITDA	LTM	x	2.0
Interest cover ratio	LTM	x	1.4
Book leverage (Net debt / Total assets)	Current	x	10%
Average years to maturity	Current	Years	1.7

Dana Gas Sukuk Instruments



Dana Gas share price vs. convertible trading value



Dana Gas convertible mid yield to maturity



Source: Bloomberg. Market data as at 16 February 2016.

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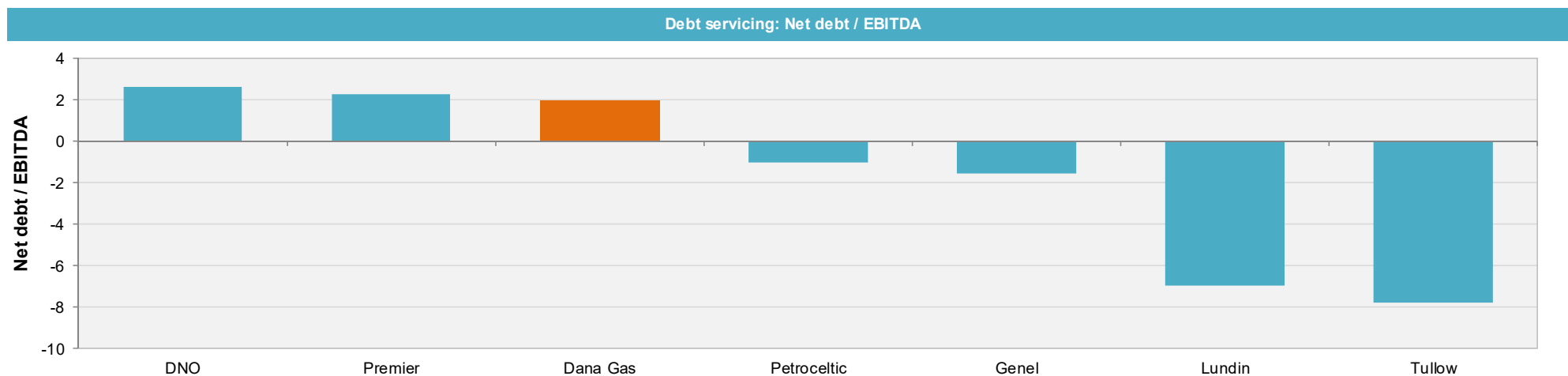
Convertible Sukuk:

- Principal amount: \$352 mln
- Coupon: 7% (payable quarterly)
- Maturity: 31/10/2017
- Conversion price: 0.75 AED/sh
- Conversion ratio: 48.9733

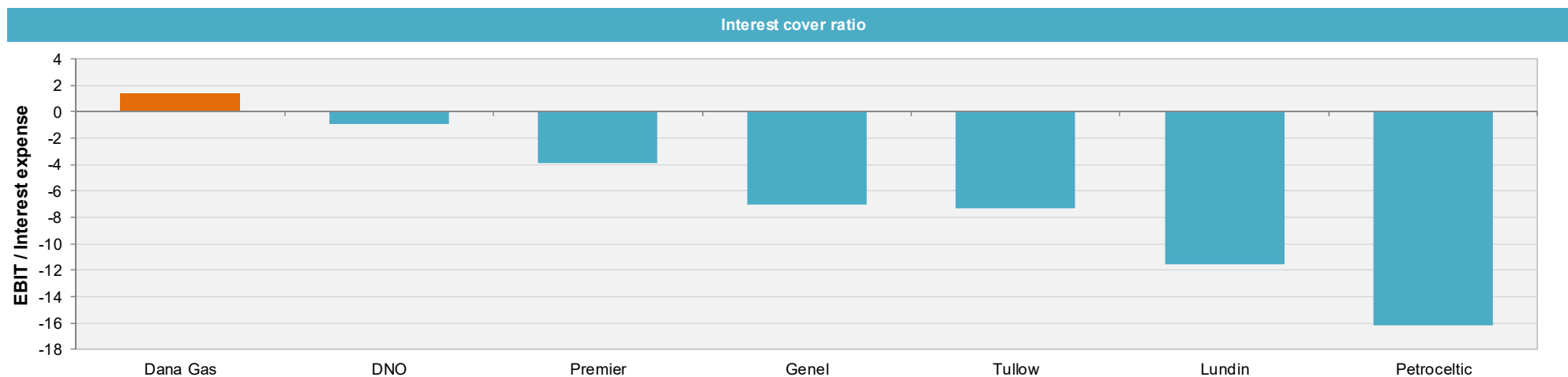
Ordinary Sukuk:

- Principal amount: \$400 mln
- Coupon: 9% (payable quarterly)
- Maturity: 31/10/2017

Leverage and interest coverage ratio in line with peers



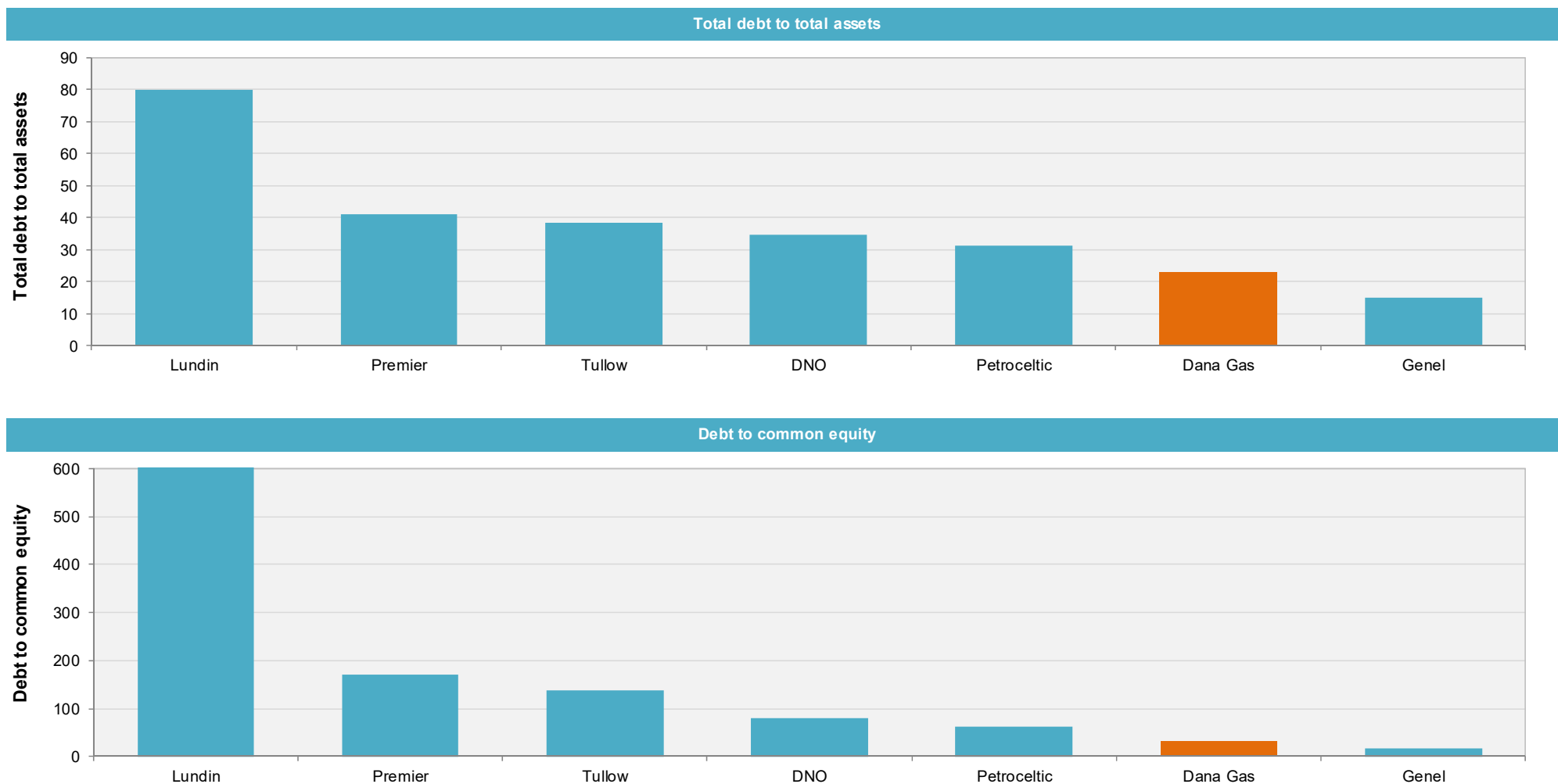
Note: Net debt is as of latest reports. EBITDA is a LTM value as of 9M 2015.



Note: EBIT and Interest expense are LTM values. Lundin based on 2015 actuals.

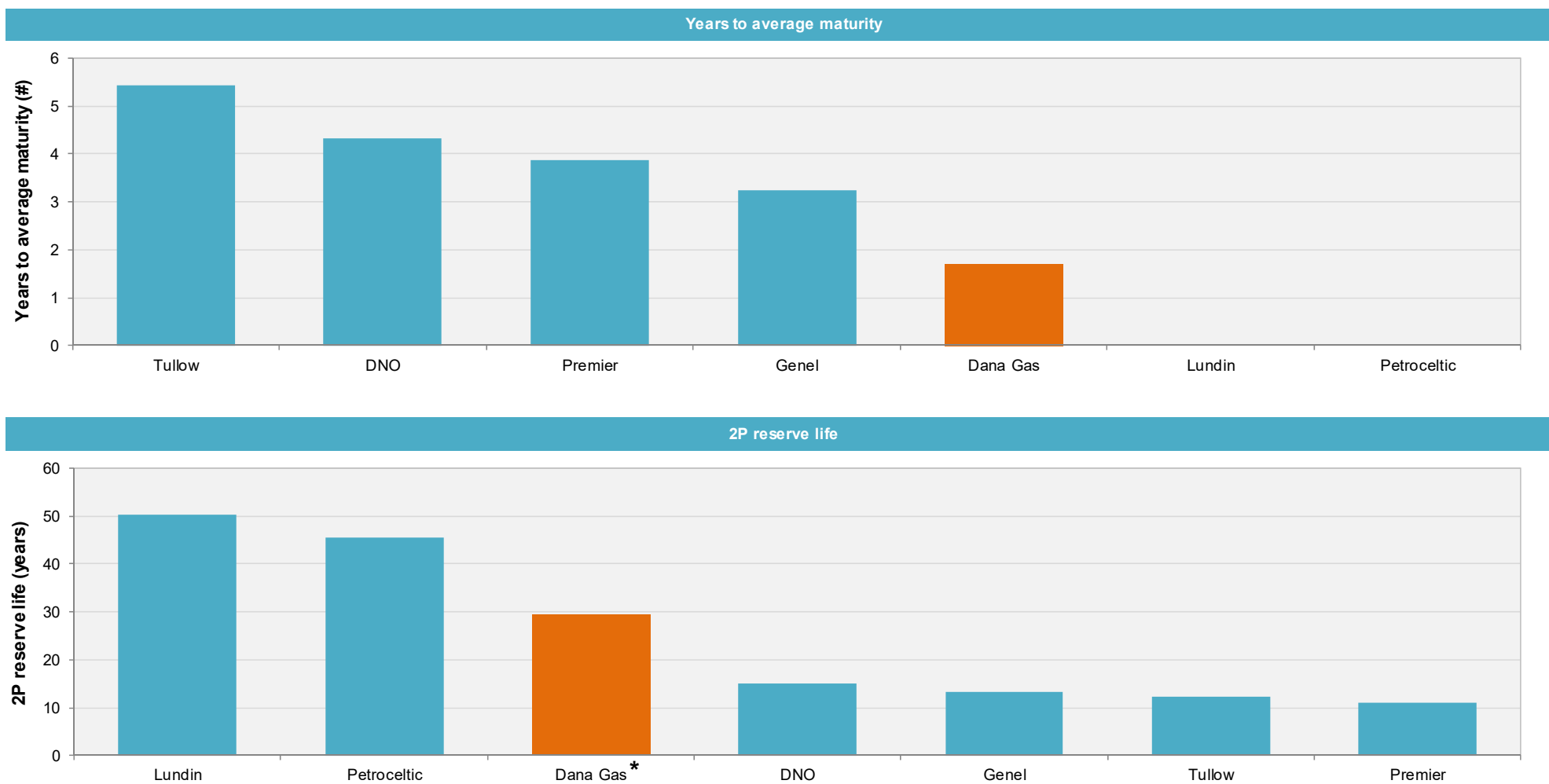
Source: Bloomberg

Book gearing and Leverage comparable to industry peers



Source: Bloomberg. Market data as at 16 February 2016.

Long reserve life of assets underpins debt

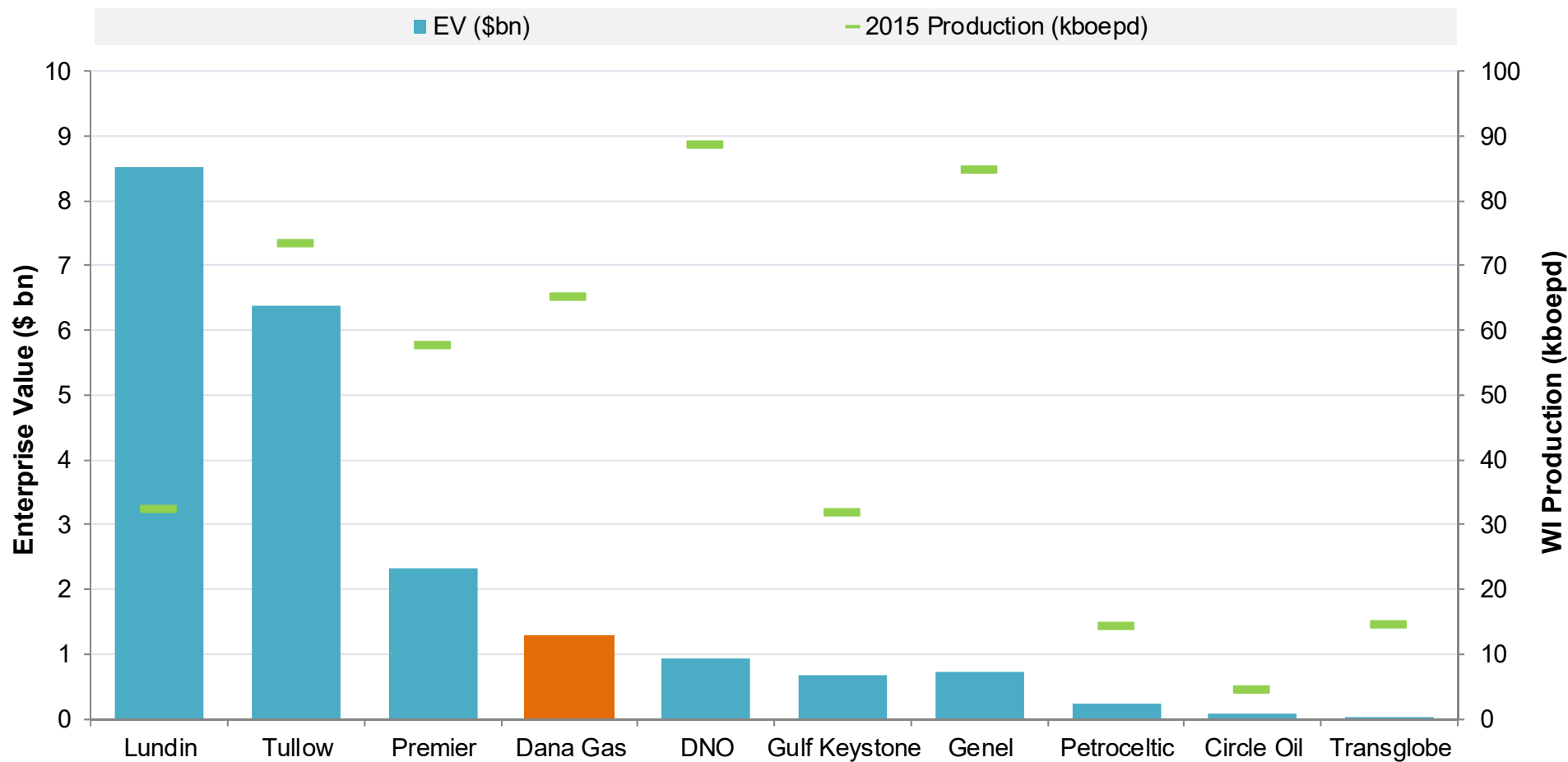


Source: Bloomberg. Market data as at 16 February 2016.

Dana Gas: Relative Valuations

EV and Production valuation relative to peers

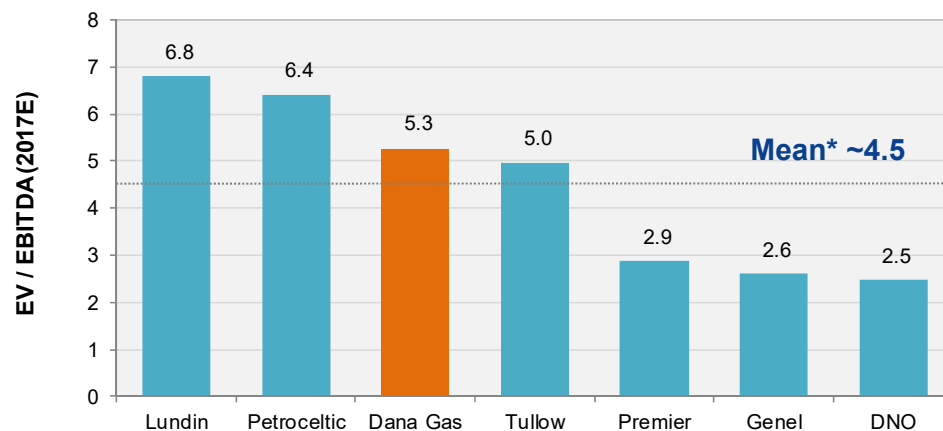
Enterprise value vs 2015 production



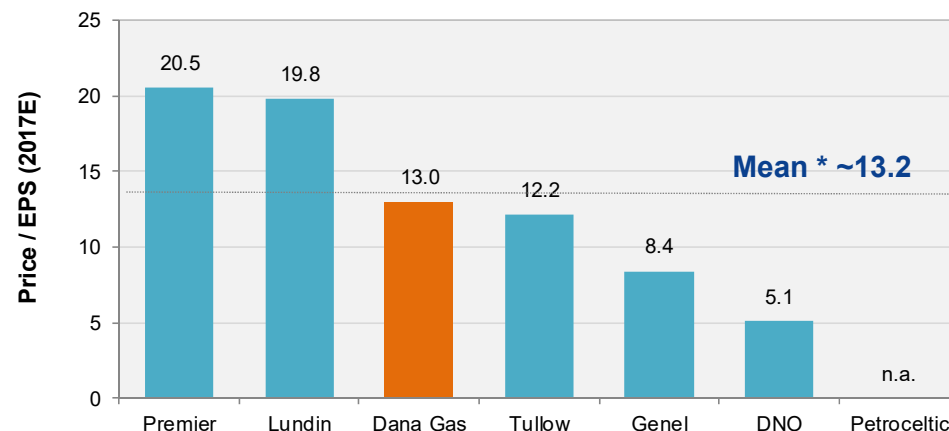
Source: Bloomberg. Market data as at 16 February 2016.

Significantly undervalued relative to peers

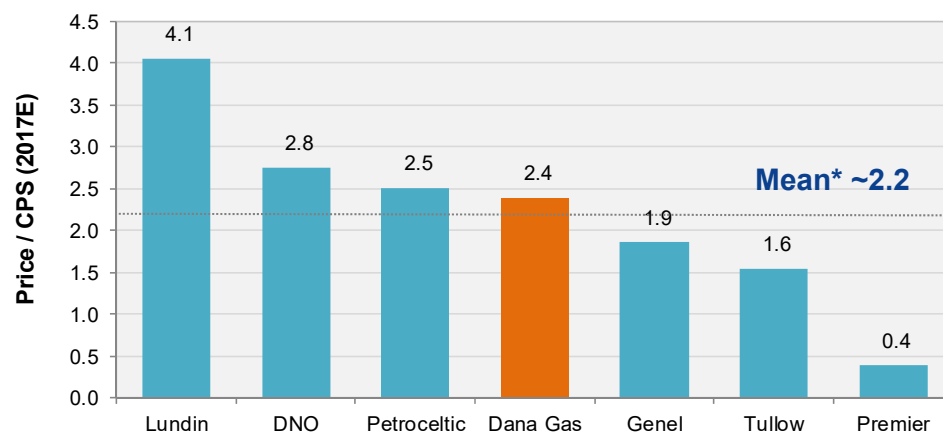
EV / EBITDA (2017E)



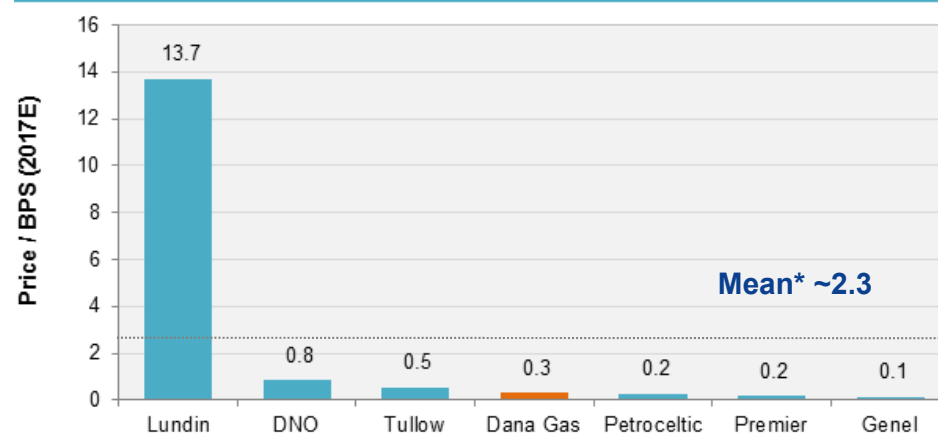
Price / EPS (2017E)



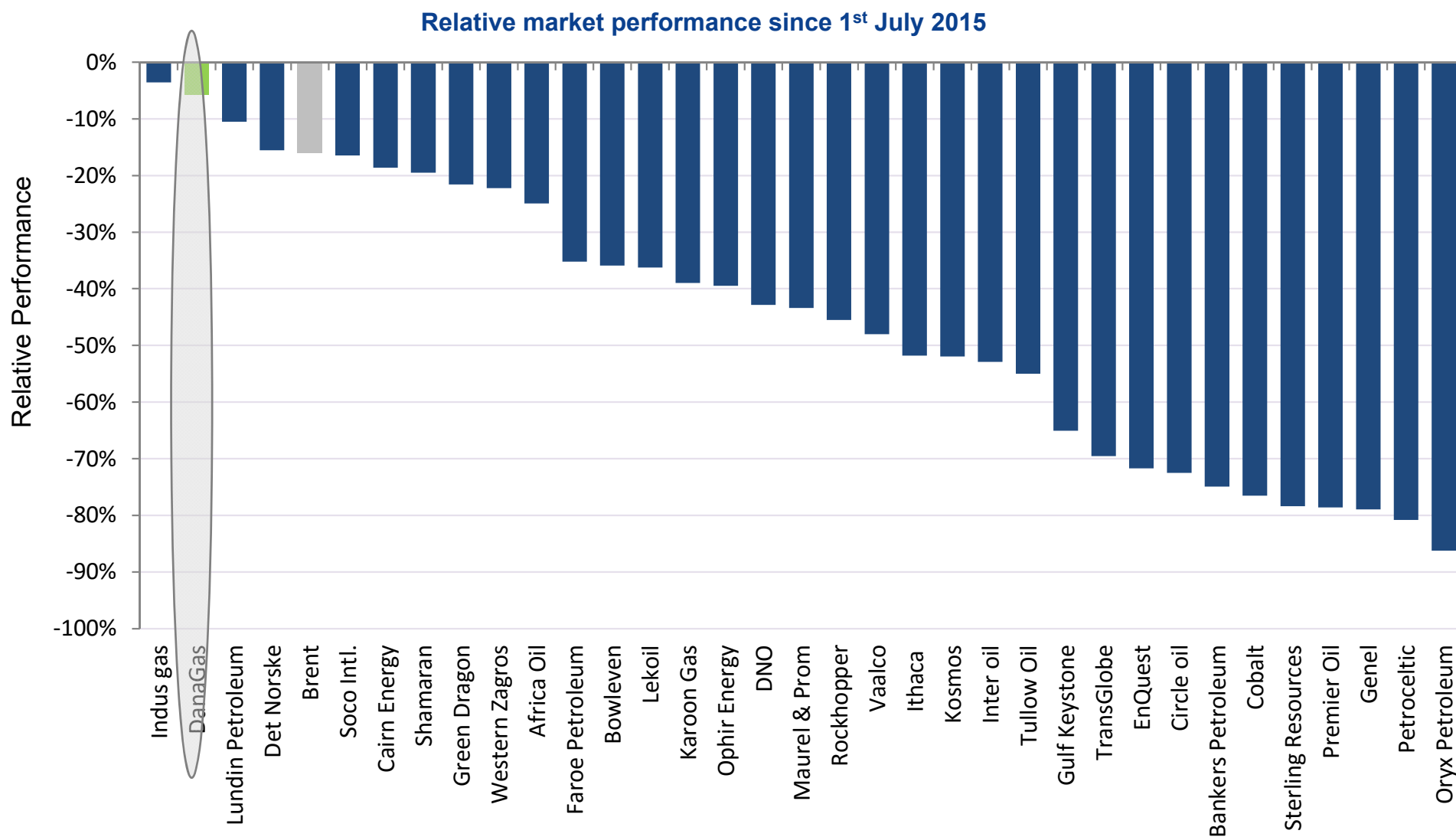
Price / CPS (2017E)



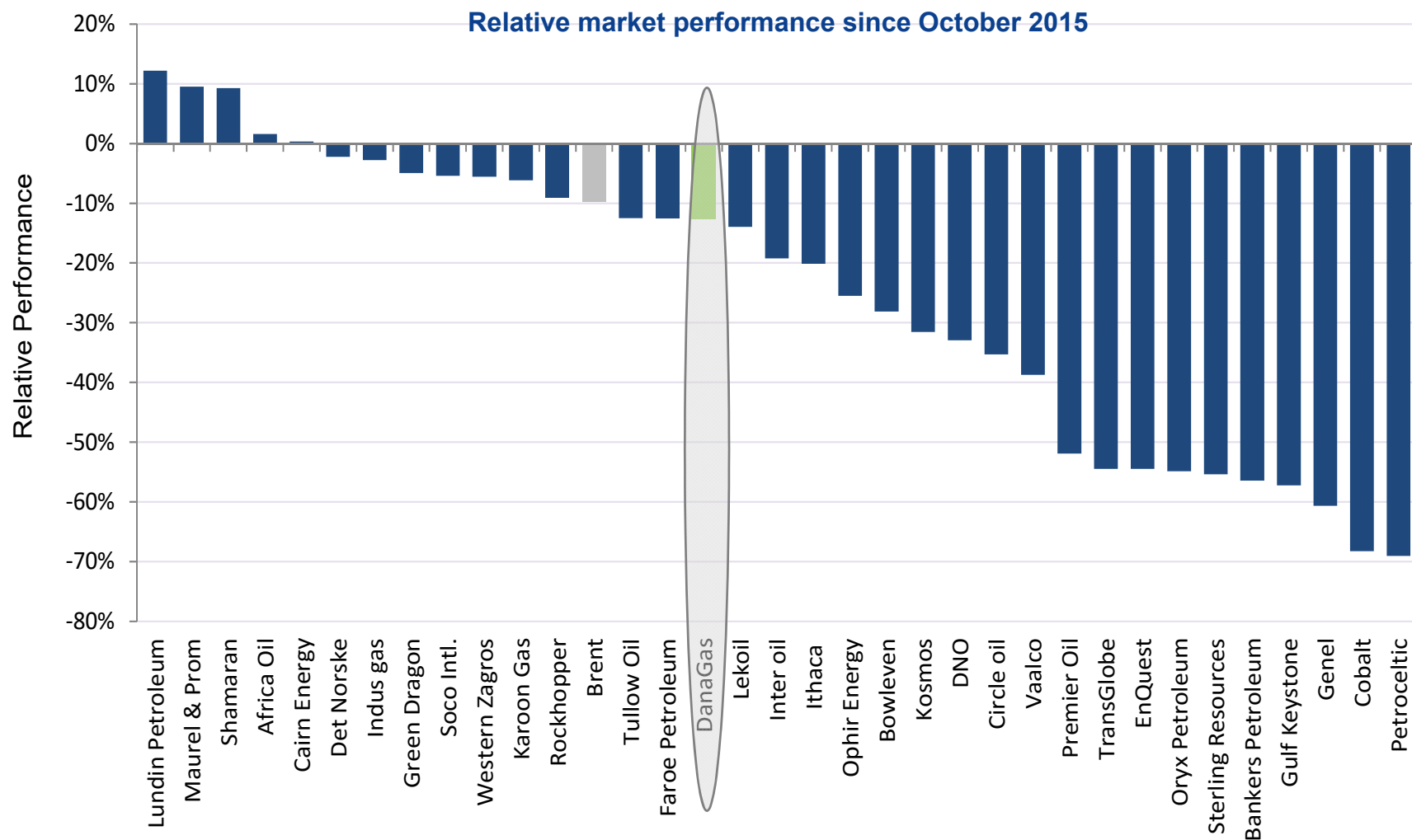
Price / BPS (2017E)



EMEA E&P relative performance since 1st July 2015

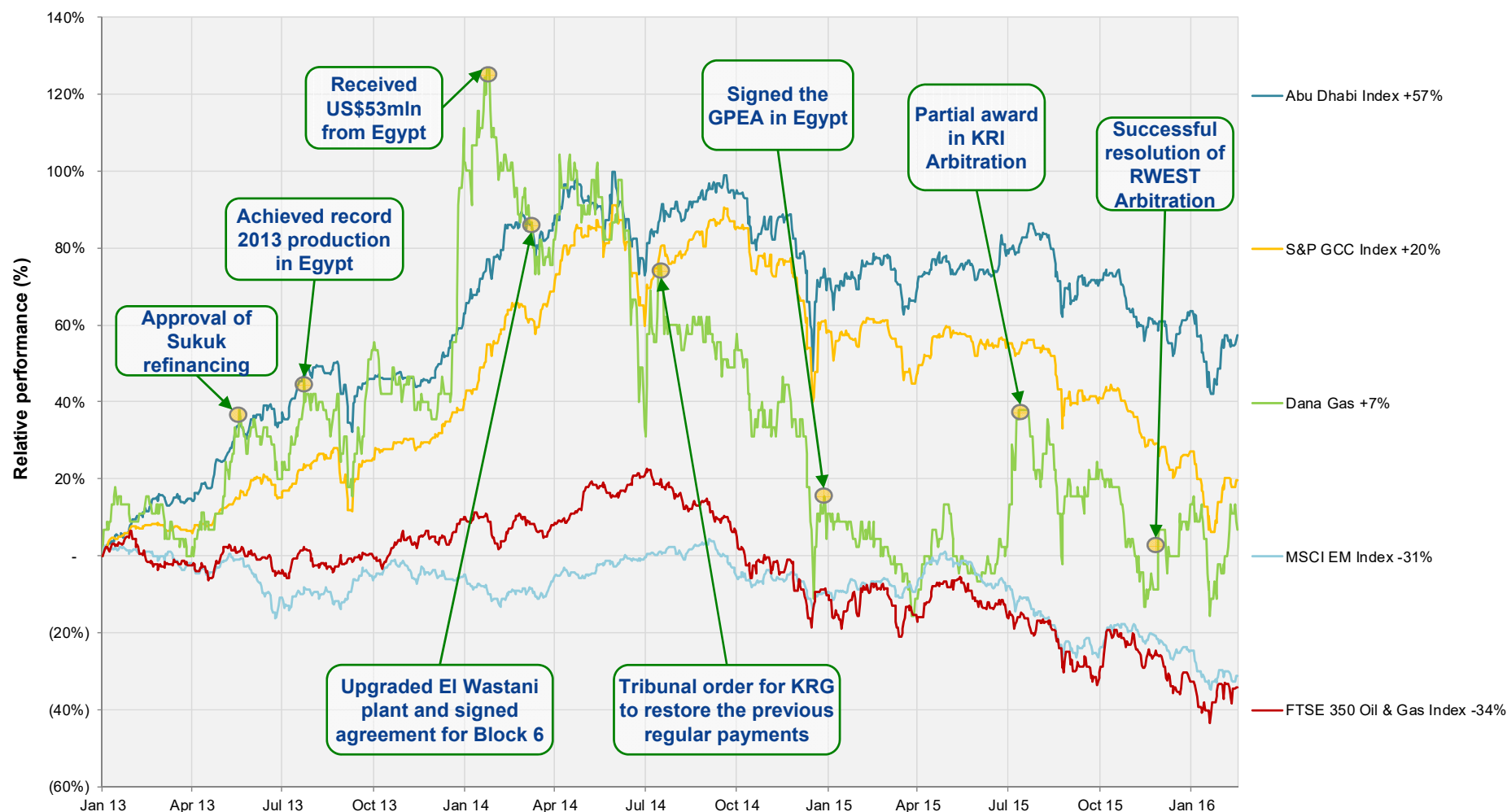


EMEA E&P relative performance since October 2015



Relative share price performance of Dana Gas

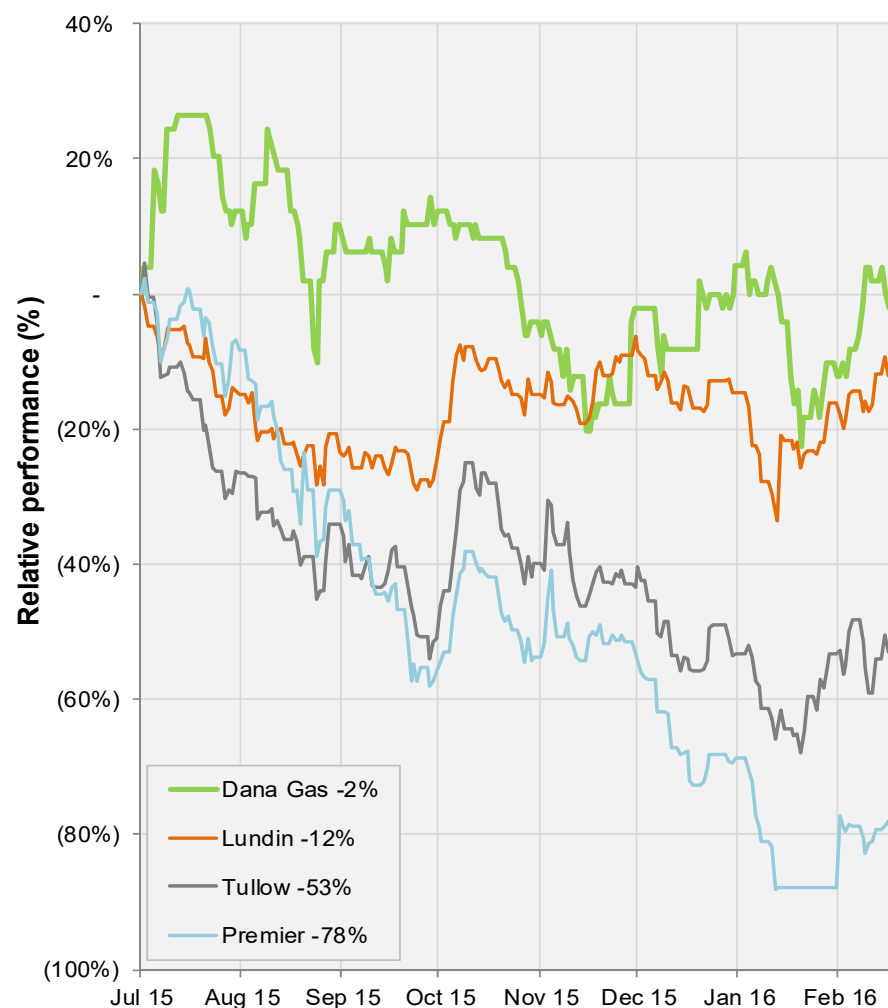
Relative performance of Dana Gas vs market indices



Source: Bloomberg. Market data as at 16 February 2016.

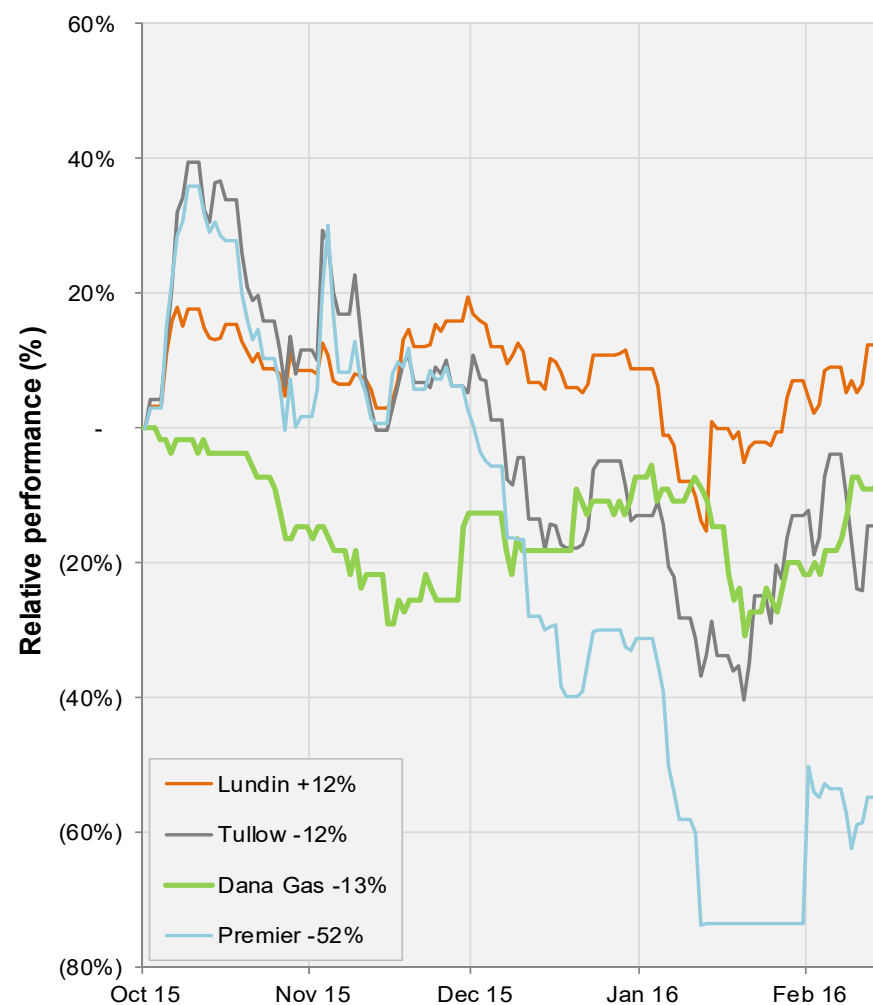
Dana Gas has performed in line with international peers in H2 2015

Relative performance of International peers since July 2015



Source: Bloomberg. Market data as at 16 February 2016.

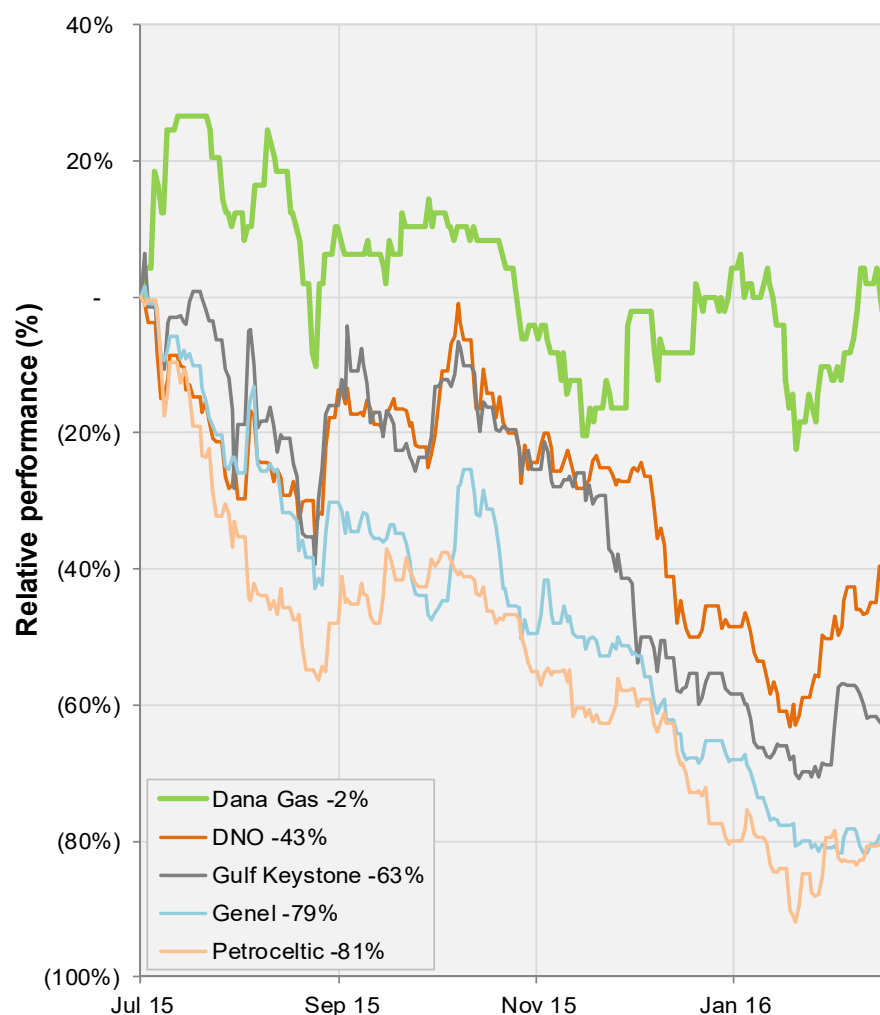
Relative performance of International peers since Oct 2015



Source: Bloomberg. Market data as at 16 February 2016.

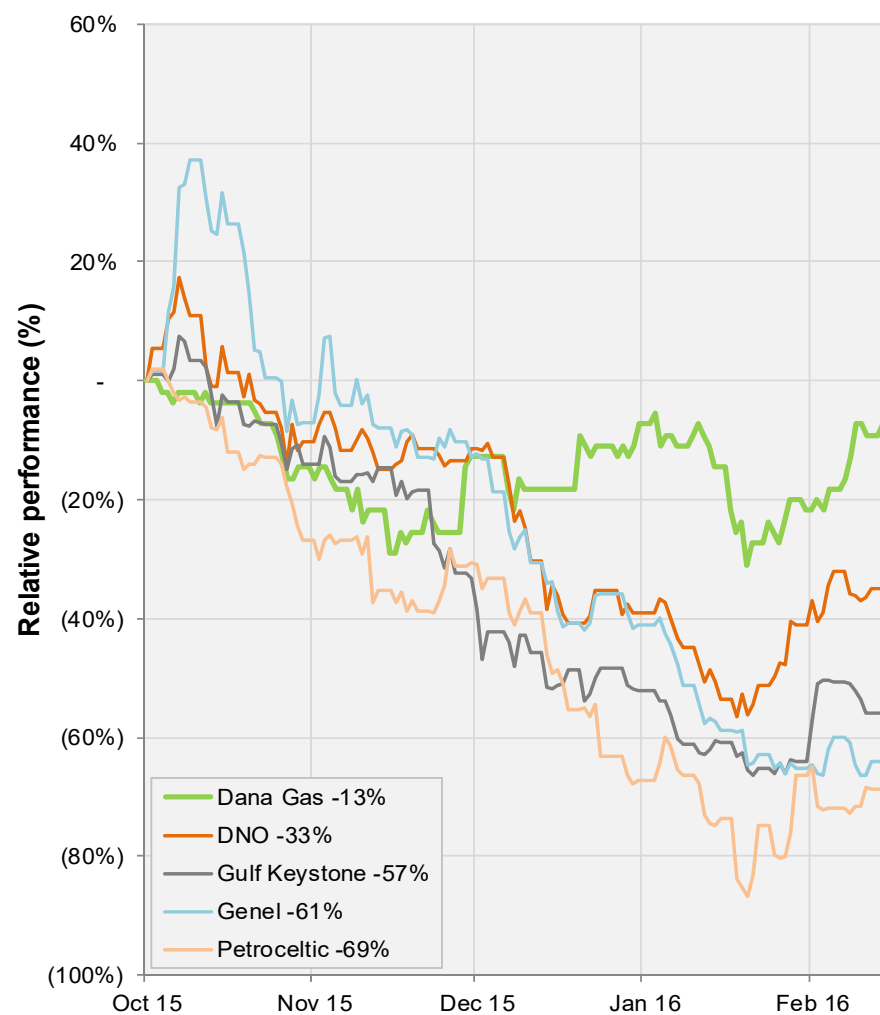
Dana Gas has outperformed its Middle Eastern (ME) peers in H2 2015

Relative performance of ME peers since July 2015



Source: Bloomberg. Market data as at 16 February 2016.

Relative performance of ME peers since October 2015



Source: Bloomberg. Market data as at 16 February 2016.

Summary

Summary



- 2015 has been a tough year with a difficult business environment, and the future is continuing to look challenging with oil having already hit a low of \$27/bbl this year.
- However, it has also been a year of significant progress:
 - Rejuvenated the management team with the appointment of Iman Hill, as Technical Director and GM for the UAE and Egypt and appointed a new CFO, Chris Hearne, who joined us just after year-end
 - Egypt has exceeded expectations with its reserves upgrade, success in the development and exploratory appraisal drilling program in Balsam has opened up the field to further appraisal wells and growth potential
 - Exploration growth potential is being tested in Blocks 1, 3 and 6. On Block 3, drilling of the deep Oligocene HPHT well by BP as operator with DG cost carried should show results by end 2016, and in the success case will be a game changer for the Company
 - Zora, the flagship UAE project and also the first offshore project – has been completed and gas has already been processed through the plant
- The increase in reserves figures represents real progress that better reflects the underlying true value of the Company to its shareholders
- Positive results were achieved in our arbitration cases
- Dana Gas is better prepared to face the challenges of the current lower oil price environment and positioned for the future upturn
- We are confident that we can continue to add value to our shareholders even at the prevailing low oil prices

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