Clean Energy For the Future

Dana Gas Investors Presentation

1Q 2016 Financial Results

04 May 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.

Forward-looking statements are based on certain assumptions and expectations of future events. The Company, its subsidiaries and its affiliates (the “Companies”) referred to in this presentation cannot guarantee that these assumptions and expectations are accurate or will be realised. The actual results, performance or achievements of the Companies, could thus differ materially from those projected in any such forward-looking statements. The Companies assume no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events, or otherwise.

Presentation Outline

- Performance Highlights
- Finance Update
- Country Performance
  - Egypt
  - Kurdistan Region of Iraq
  - UAE - Zora Gas Project
- Summary

Performance Highlights

Dr Patrick Allman-Ward
Chief Executive Officer

2016 Q1 Performance Highlights - 1

- Despite a very challenging oil price environment, Dana Gas has continued to remain profitable:
  - Net profit after tax was $6 million compared with $12 million in Q1 2015.
  - Realised prices were $30 per barrel for condensate and $29 for LPG, 41% and 29% down as compared to Q1 2015, a significant drop.
  - We continue to drive efficiencies, with G&A coming down a further $2 million as compared to Q1 2015.
- Our cash and cash equivalents were down 12% on the quarter and now stand at $413 million:
  - This was due mainly to capex and sukuk financing payments.
- Cash collections in both Egypt and the KRI were over 85% leaving receivables at quarter end largely unchanged.
  - This is a continued area of focus for management and we are in constant dialogue with both governments towards a resolution
- Production in the first quarter was approximately 60,500 barrels of oil equivalent per day.
  - This is 12 per cent down on Q1 2015, which was 68,700 boepd
  - The two principal factors are the re-allocation of our share of production in Kurdistan due to a change in our interest in Pearl Petroleum (40 to 35%) and normal field declines in the Nile Delta only partially offset by new production from wells drilled as part of our GPEA programme
- In Kurdistan we are beginning to see an improving picture, on the reserves front:
  - Pearl Petroleum's operators, Crescent Petroleum and Dana Gas have estimated P50 total geologically risked resources of petroleum initially in-place in the Khor Mor & Chemchemal fields to be now 75 Tscf (of wet gas) and 7 billion barrels of oil. At 35% Dana Gas' share represents 26 Tscf wet gas and 2.5 billion barrels of oil.
  - Gaffney Cline Associates has concluded an independent certification of the 2P (Proven & Probable) reserves at the two fields for the first time in April of this year. DG share of the 2P reserves is 5.3 Tscf gas and 109 million barrels condensate, equivalent to 990 million barrels of oil.

2016 Q1 Performance Highlights - 2

- We are seeing improving sales and cash flows from Kurdistan:
  - In Q1 2016 we recommenced local sales of LPG and condensate, which were temporarily interrupted in Q4 2015.
  - Collections and advanced payment on these sales brought in $18 million during the quarter.
  - Pearl Petroleum and the KRG's Ministry of Natural Resources have also come to a new arrangement to ensure gradual reduction of past receivables in addition to the ongoing payment for current liquids production.
  - Dana Gas also collected its share ($ 8.4 million) of the $24 million High Court ordered payments due to PEARL from the KRG as part of the Peremptory Order case.
  - Further monthly payments ($ 8 mln gross) are due until after Court of Appeal hearing in May 2016.
- Operating performance remained solid since making the most out of our existing assets is a key part of our business strategy:
  - In Egypt we continue to carry out our GPEA capital investment programme with a further $30 million in capex incurred during the first quarter.
  - Six development wells were drilled and / or completed and an exploration well. All were successful and encountered gas bearing reservoirs on or above expectation. Two of the wells are already tied back and are producing with the remainder anticipated in the next two quarters.
  - In the UAE the Zora Gas Field started production in mid January after completing all construction of the onshore gas processing plant in December 2015 and sustainable production levels were achieved end February / early March.
- Regarding the remaining issues under dispute in the KRG arbitration, a two week hearing is scheduled for September that will look at the counterclaims alleged by the KRG amounting to some $ 3 billion and the damages claims from the Claimants, amounting to $ 19 billion among other outstanding issues.
- No further developments on the arbitration with Iran. We remain open for discussions and to a negotiated settlement but pending a satisfactory solution, the damages phase of the arbitration continues with a final hearing date now set for 1 September 2016.

Financial Performance

Chris Hearne

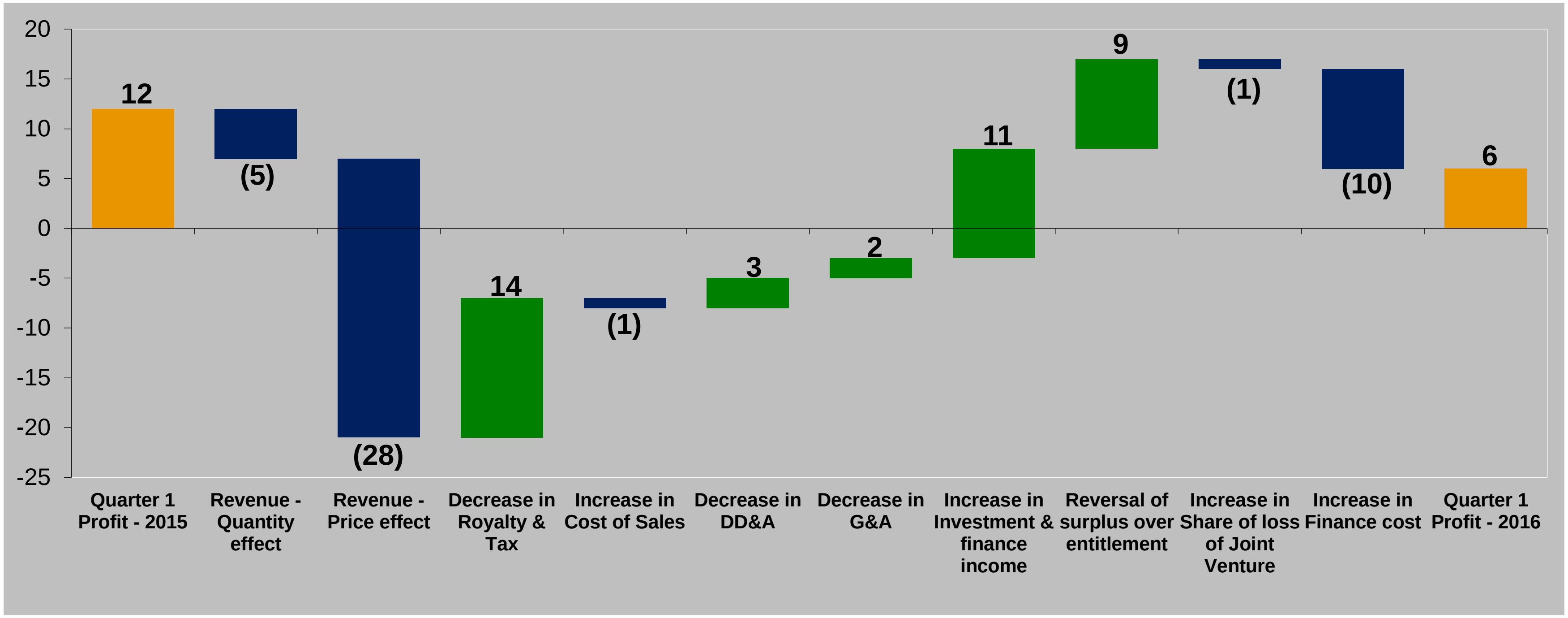
Chief Financial Officer

Financial Highlights: Q1 2015 vs Q1 2016

(In $ million)	Q1 – 2015	Q1 – 2016	Percentage Change
Gross Revenue	115	82	(29)
Gross Profit	37	22	(41)
Net Profit	12	6	(50)
EBITDA	55	47	(15)

- Gross revenue declined by 29%, mainly due to a sharp decline in hydrocarbon prices (Impact: $28 million) coupled with lower production in Egypt and Kurdistan (Impact: $5 million).
- Gross profit was lower by 41% due to reduced top line. However, gross margin for the quarter was 39%; 11% change from 50% achieved in Q1 2015.
- Given the decline in top line, net profit and EBITDA remained low. The decline in top line was partially mitigated by lower royalty & tax charge, lower G&A and lower DD&A.

Profit After Tax Bridge – Q1 2015 Vs Q1 2016
(all figures in $ million)



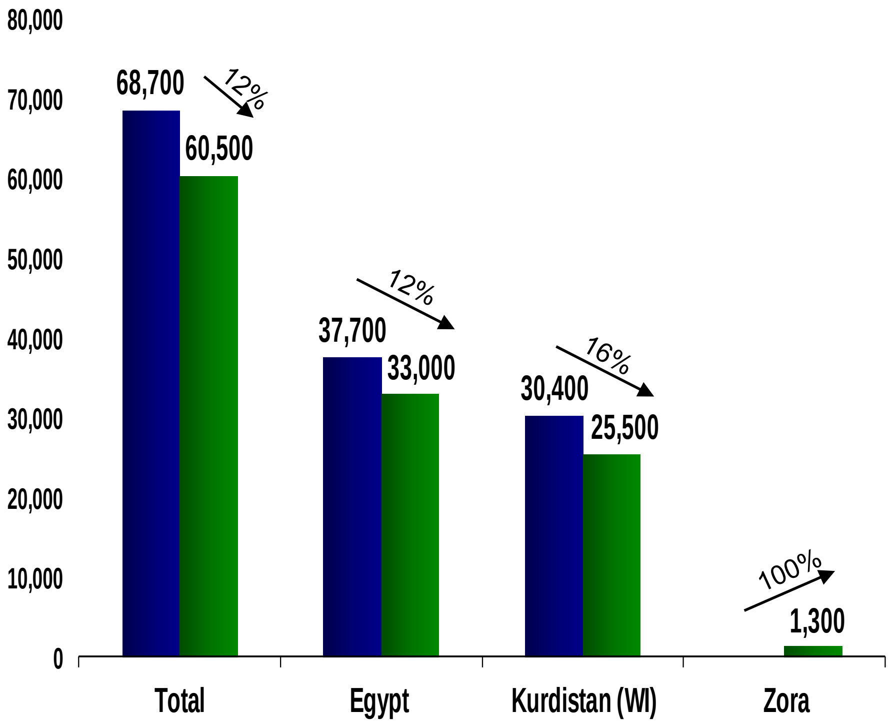
- Sharp decline in hydrocarbon prices impacted revenues by $28 million together with reduced production in Egypt and Kurdistan which impacted topline by $ 5 million
- Royalty & tax declined by 31% as they are linked to production and profitability in Egypt
- Decrease in DD&A of $ 3 million linked to lower production in Egypt
- G&A was lower by $ 2 million due to cost optimization across the Group
- Investment & finance income up by $ 11 million due to interest charged on overdue receivables due from KRG
- Reversal of provision for surplus over entitlement due to lower oil prices resulting in lower recoveries in KRI
- Increase in finance cost due to exchange loss on Egyptian pounds and interest on Zora project finance

Production(BOEPD)

1Q 2015 Vs 1Q 2016

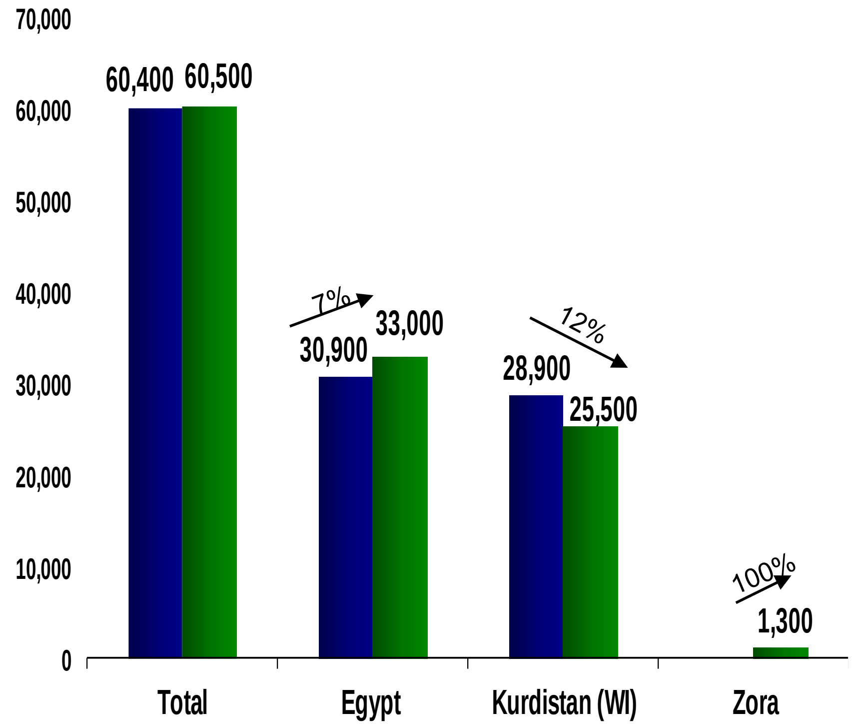
2015 2016

4Q 2015 Vs 1Q 2016



Includes 700 boepd (1Q 2015: 600 boepd) relating to DG share of EBGDCO production

Includes Gas production of 17,700 Boepd (1Q 2015 – 21,300 Boepd)



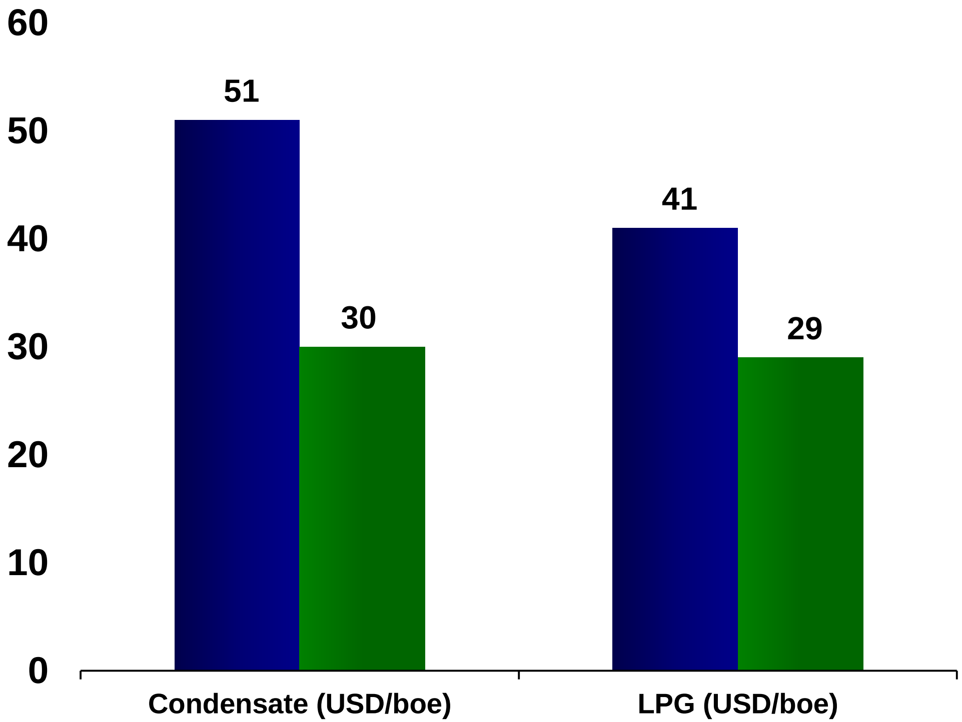
Includes 700 boepd (4Q 2015: 600 boepd) relating to DG share of EBGDCO production

Includes Gas production of 17,300 Boepd (4Q 2015 – 19,900 Boepd)

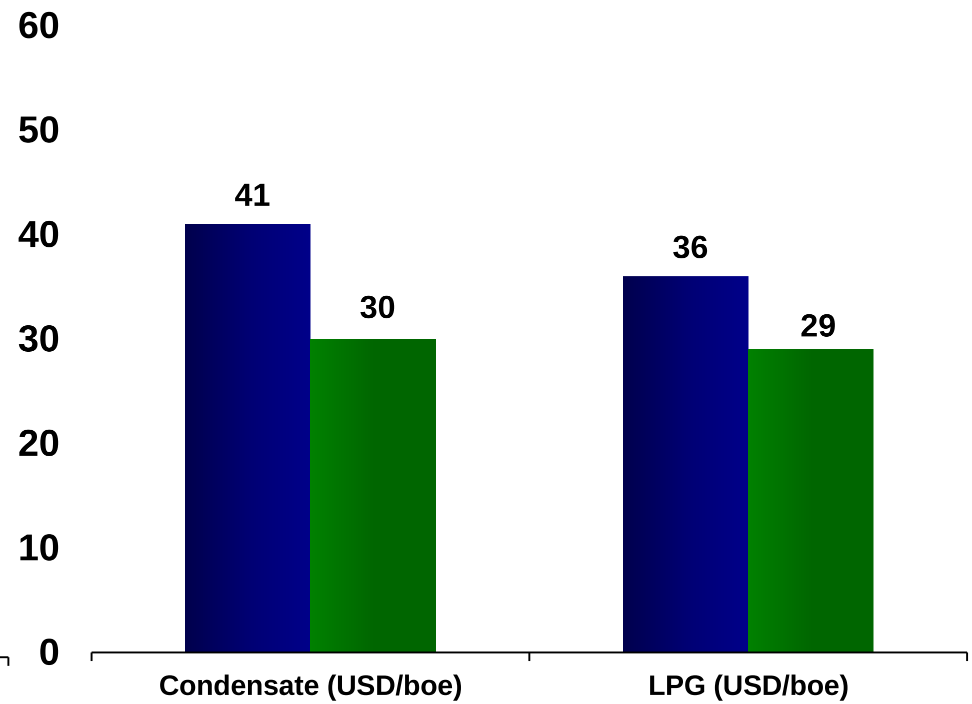
Average Realized Prices

2015 2016

1Q 2015 Vs 1Q 2016

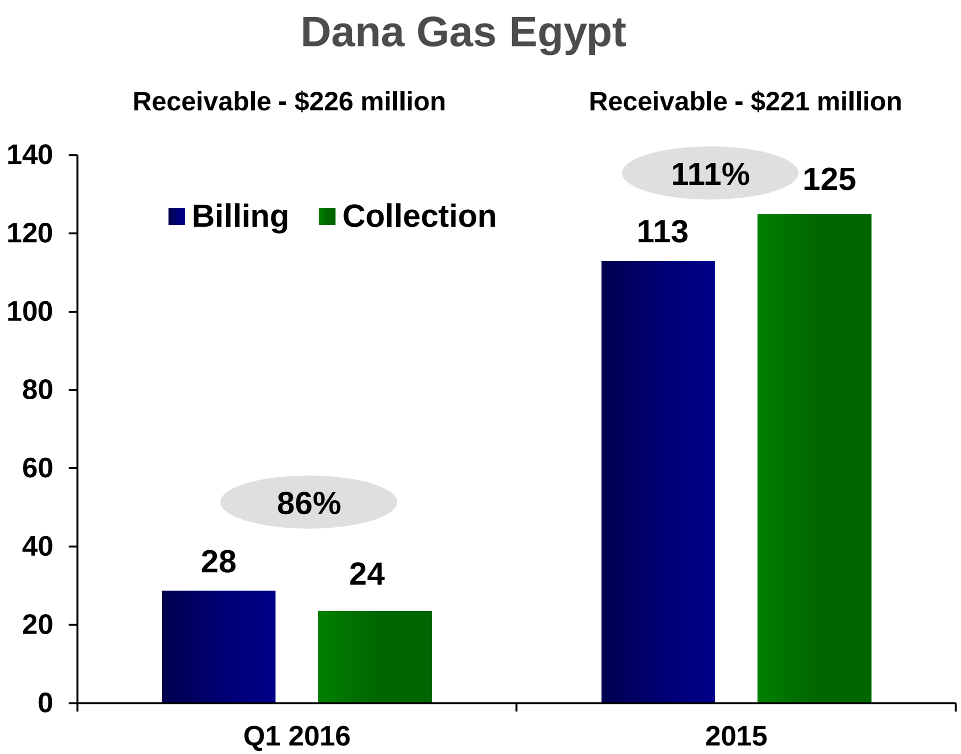


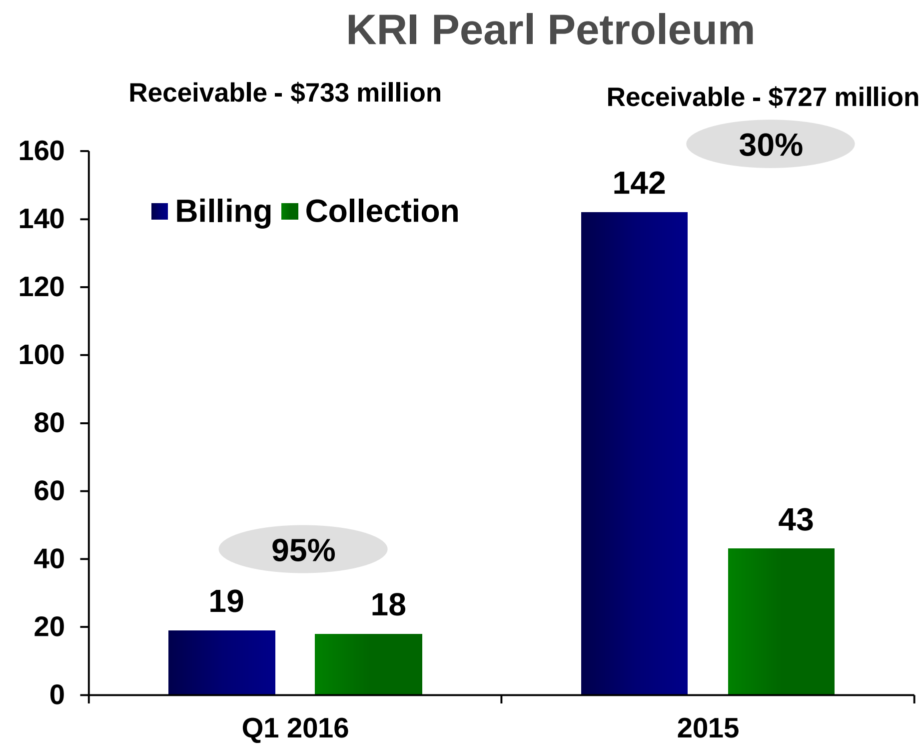
4Q 2015 Vs 1Q 2016



** Liquids benchmarked to Brent*

Trade Receivables
(all figures in $ million)

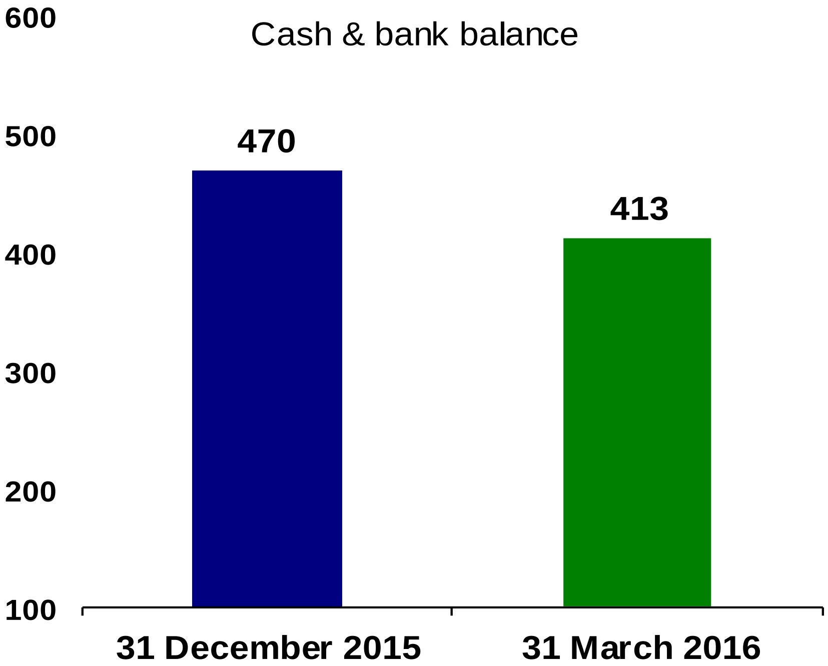




Note: % age realisation calculated as collections divided by net revenue

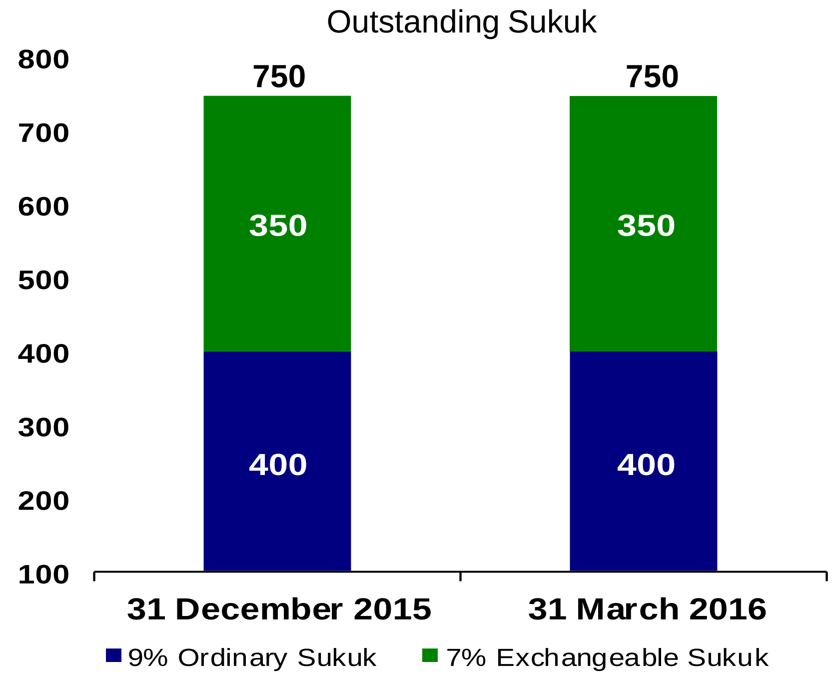
- During 1Q 2015, Dana Gas Egypt collected $24 million in equivalent Egyptian pounds
- In KRI, collection during 1Q of 2016, including deposit for future sales, stood at $18 million (DG 35% shares)

Liquidity & Liability



Cash and bank balance at period end stood at $413 million, a decline of 12%. The reduction was due to expenditures in Dana Gas Egypt & Zora, Sukuk profit, other financing payments and G&A cost.

10% of the total cash and bank balance was held in equivalent Egyptian Pounds.

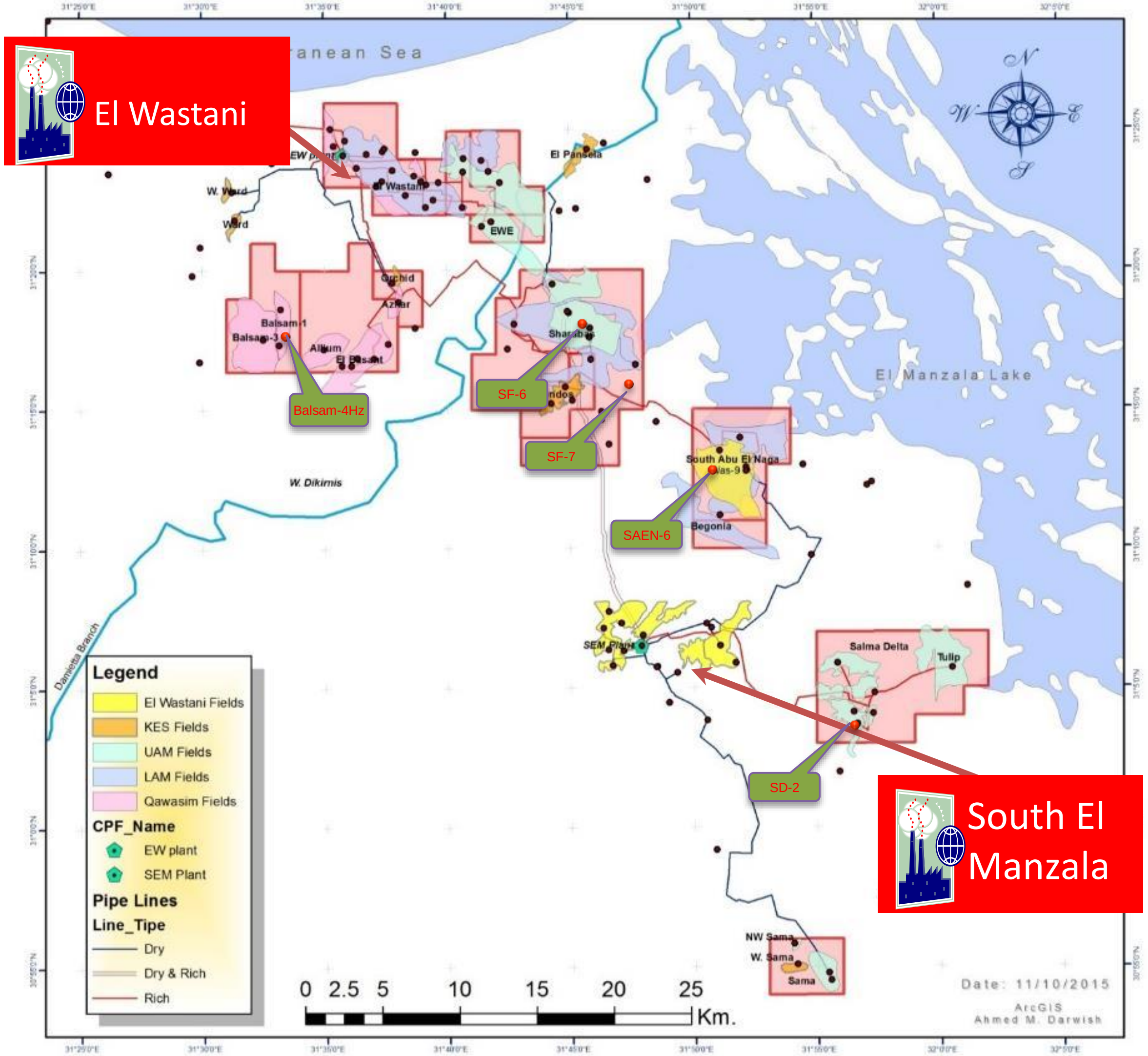


Both the Ordinary and Exchangeable Sukuks are maturing on 31 October 2017.

Country Performance – Egypt, KRI and UAE

Iman Hill
Technical Director & GM UAE and Egypt

Egypt: Nile Delta Operations



Development Leases:

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

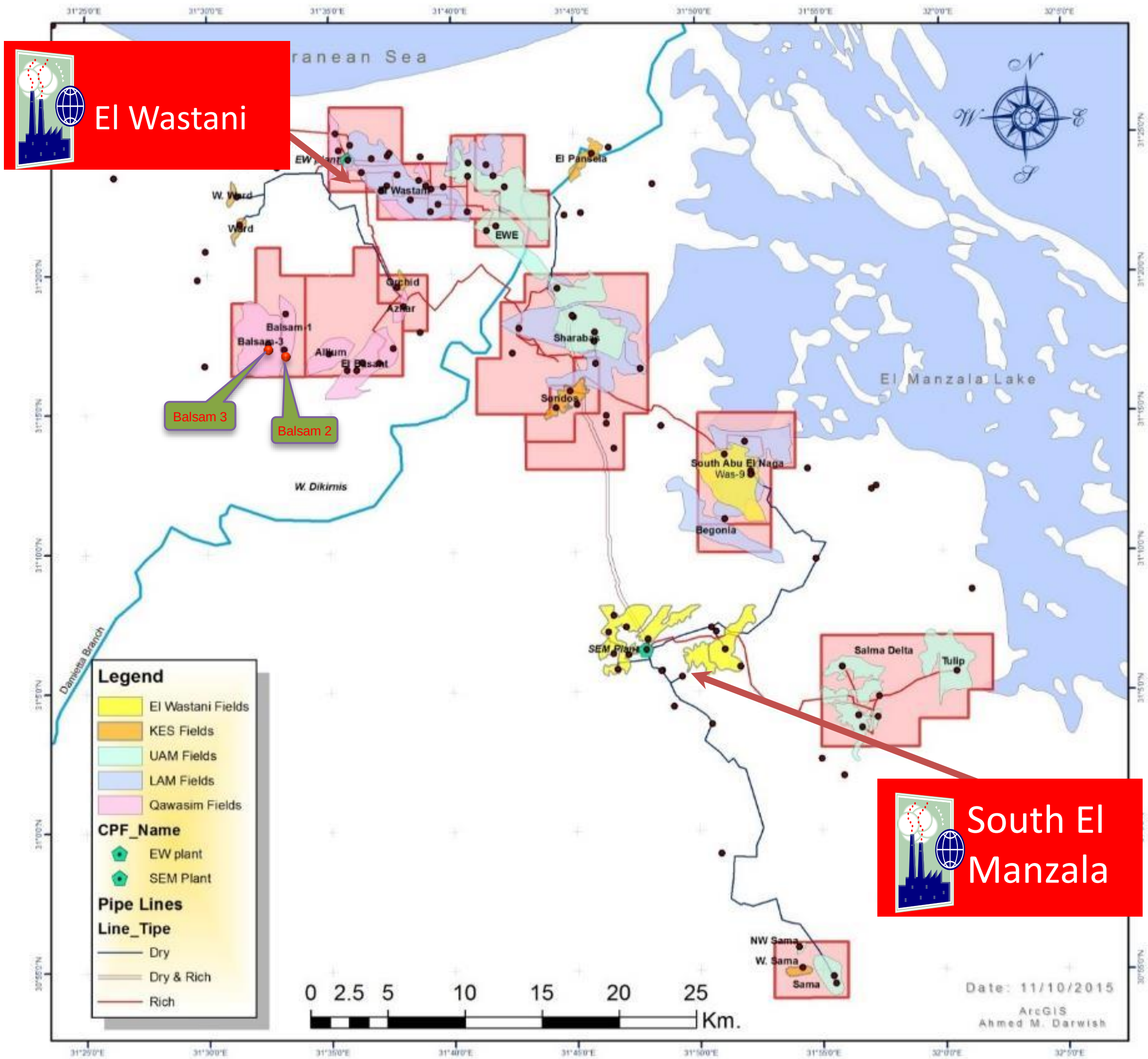
Production:

- 1Q 2016 avg 33 kboe/d versus 30.9 kboe/d for 4Q 2015. Balsam field production has been largely responsible for the steady production increase. Balsam-4Hz drilled 400m horizontally and was completed successfully.

Operations:

- SAEN-7, SAEN-6 SF-5, SF-6, Balsam-4 and SD-2 wells were successfully completed in 1Q 2016.
- Exploration well SF-7 has hit pay as predicted in KES & UAM intervals.

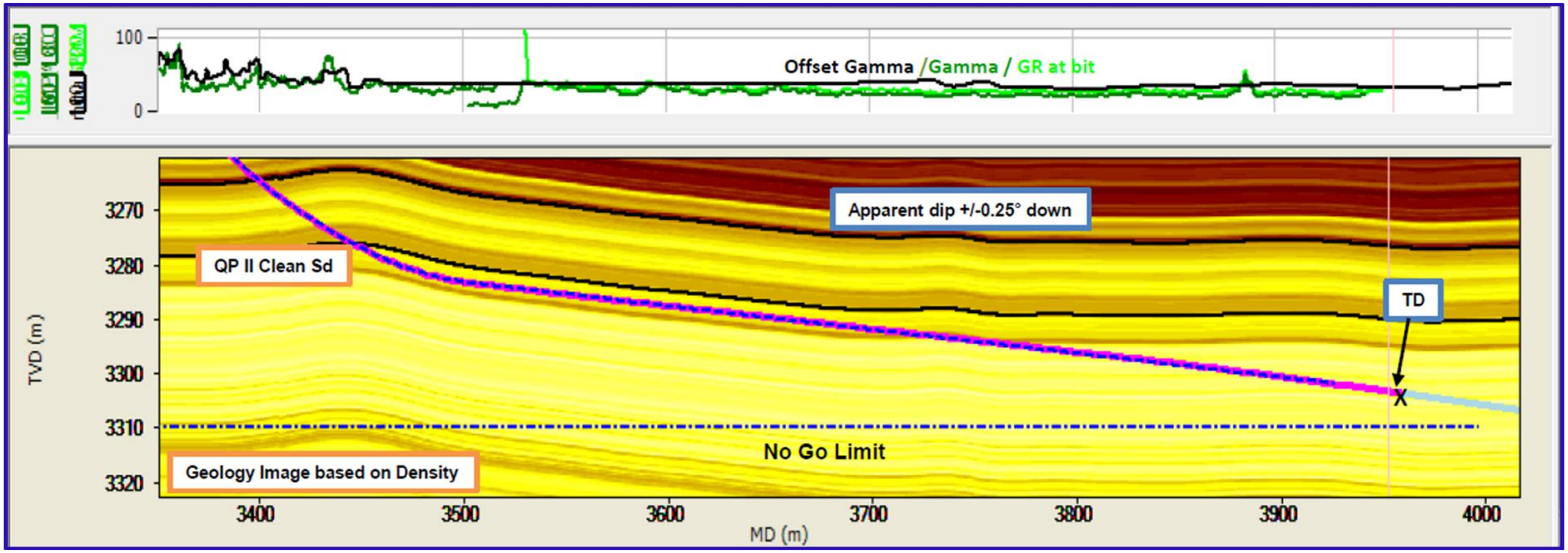
Egypt: Nile Delta Operations

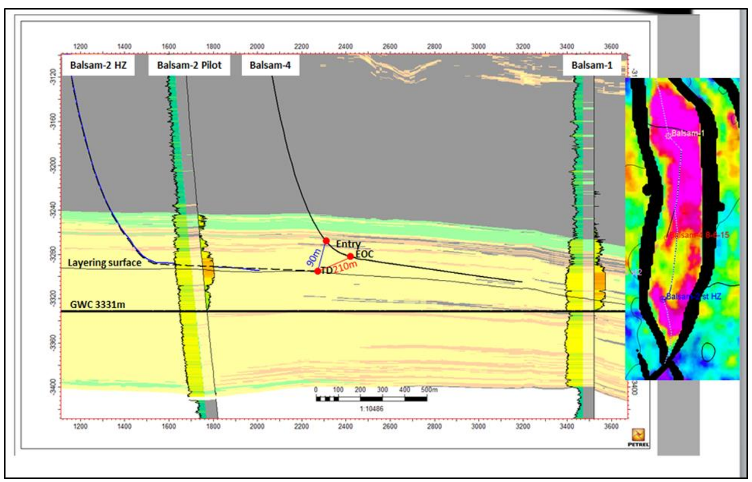


The tie-ins for Salma Delta-4 and South Abou El Naga (SAEN) 6 wells have also completed and the wells are in production. The tie-ins for South Faraskur-5, South Faraskur-6 and SAEN-7 are well advanced and these wells will commence production during May. As a result of the good drilling performance it was possible to insert an additional well, West Manzala-3, into the programme. By utilising existing flowlines this well will also be put into production in May, some 3 months ahead of the normal schedule required for a new flowline and at a cost saving of $800,000.

Good progress has been made on the installation of the 17 km 12 inch trunk line from Balsam to El Wastani plant. Overall progress is 68.5% and the work is on target to be completed at the end of June 2016.

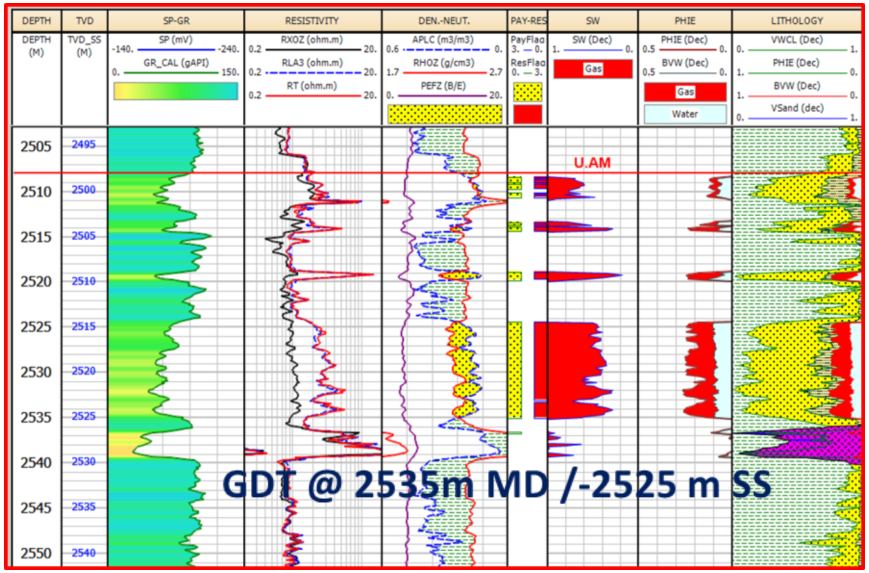
Egypt: Balsam Horst Update: Balsam-4 Hz

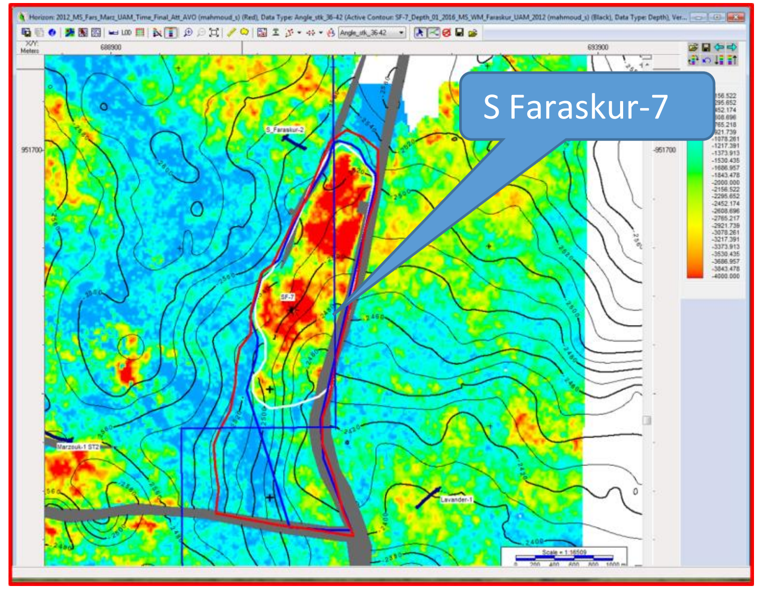


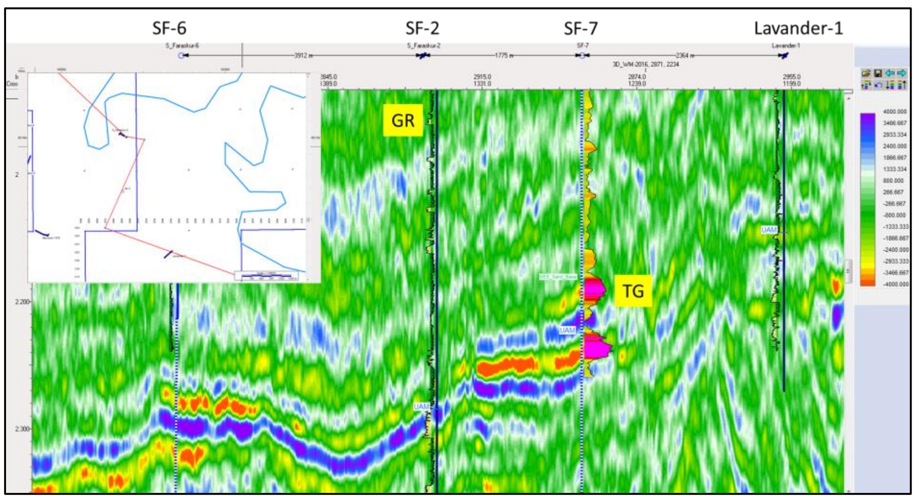


- Following the success of Balsam 1 & 2 wells, Balsam- 4Hz has drilled a geo-steered a 400m near-horizontal section across the best quality part of the upper Balsam reservoir.
- 400m of screens were successfully run and cemented.
- The well has proven our ability to both drill and complete these long sections.

Egypt: South Faraskur -7 Discovery

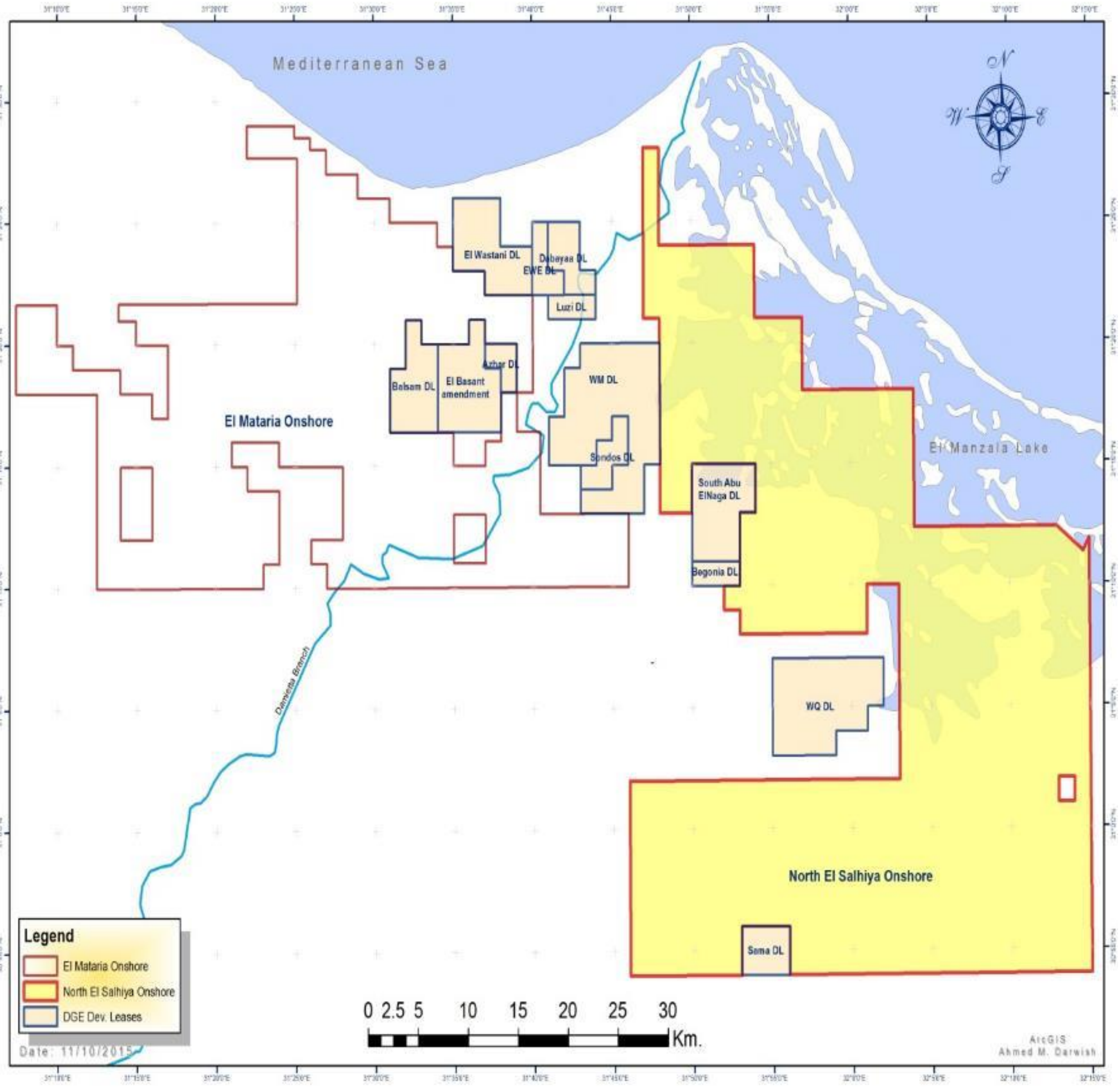






- South Faraskur -7 discovery well has proved up the play in the eastern part of the development lease.
- This is a separate hydrocarbon filled structure from Faraskur Field increasing the resource base in this development lease with 2P estimated ultimate recovery of 17.9 bcf.

Egypt: Block 1 - North El Salheya Exploration



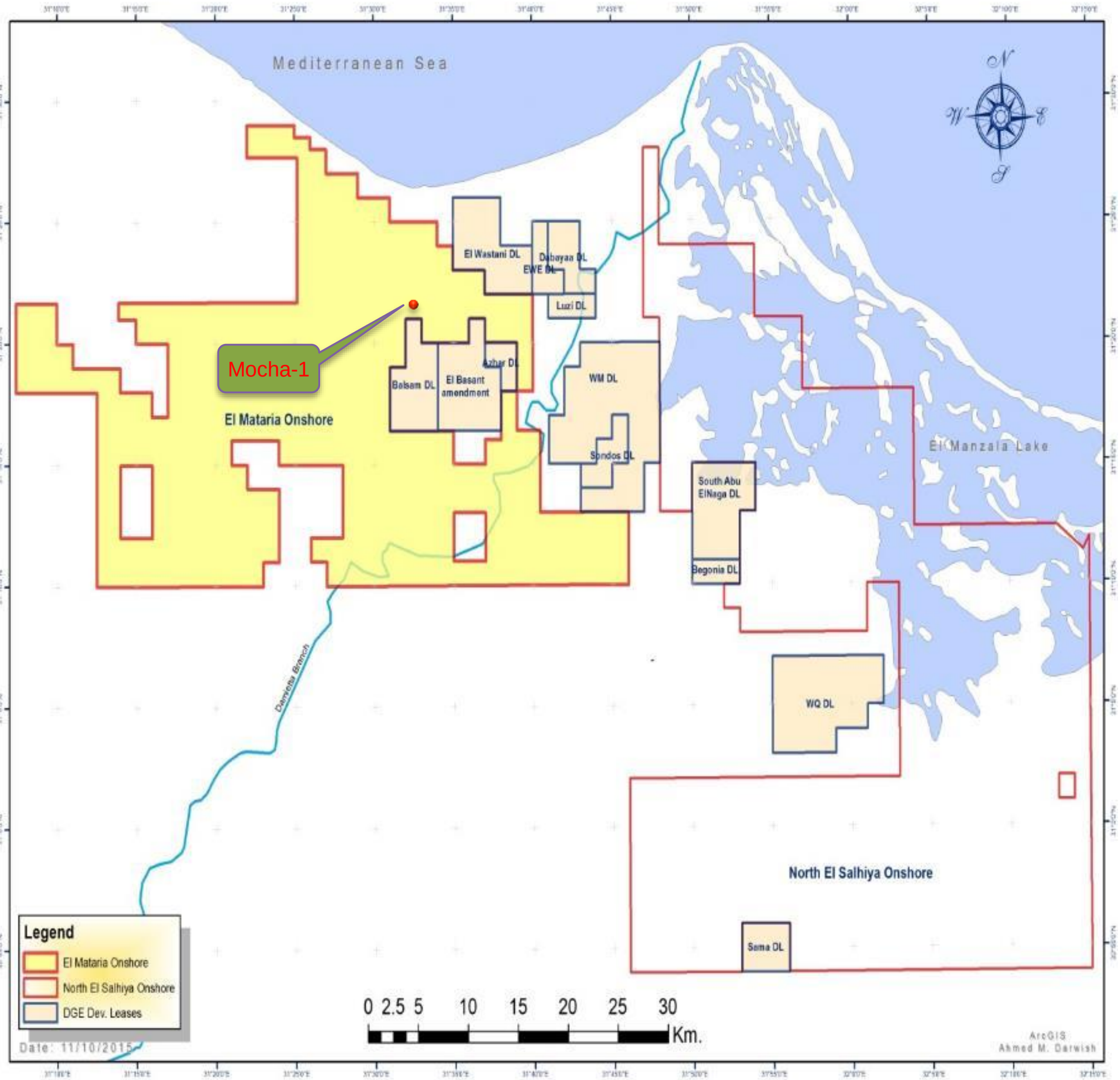
Block-1 (100% WI)

- Targets prolific Abu Madi play
- Other plays include: Kafr El Sheikh and Oligocene

Activities

- Reprocessing of 800 km2 3D seismic Western Geco completed and loaded to workstation.
- Reprocessing of 2D seismic data has started.
- Plan to drill 4 exploration wells in 2017. Lead inventory is emerging. 4 notional locations identified.

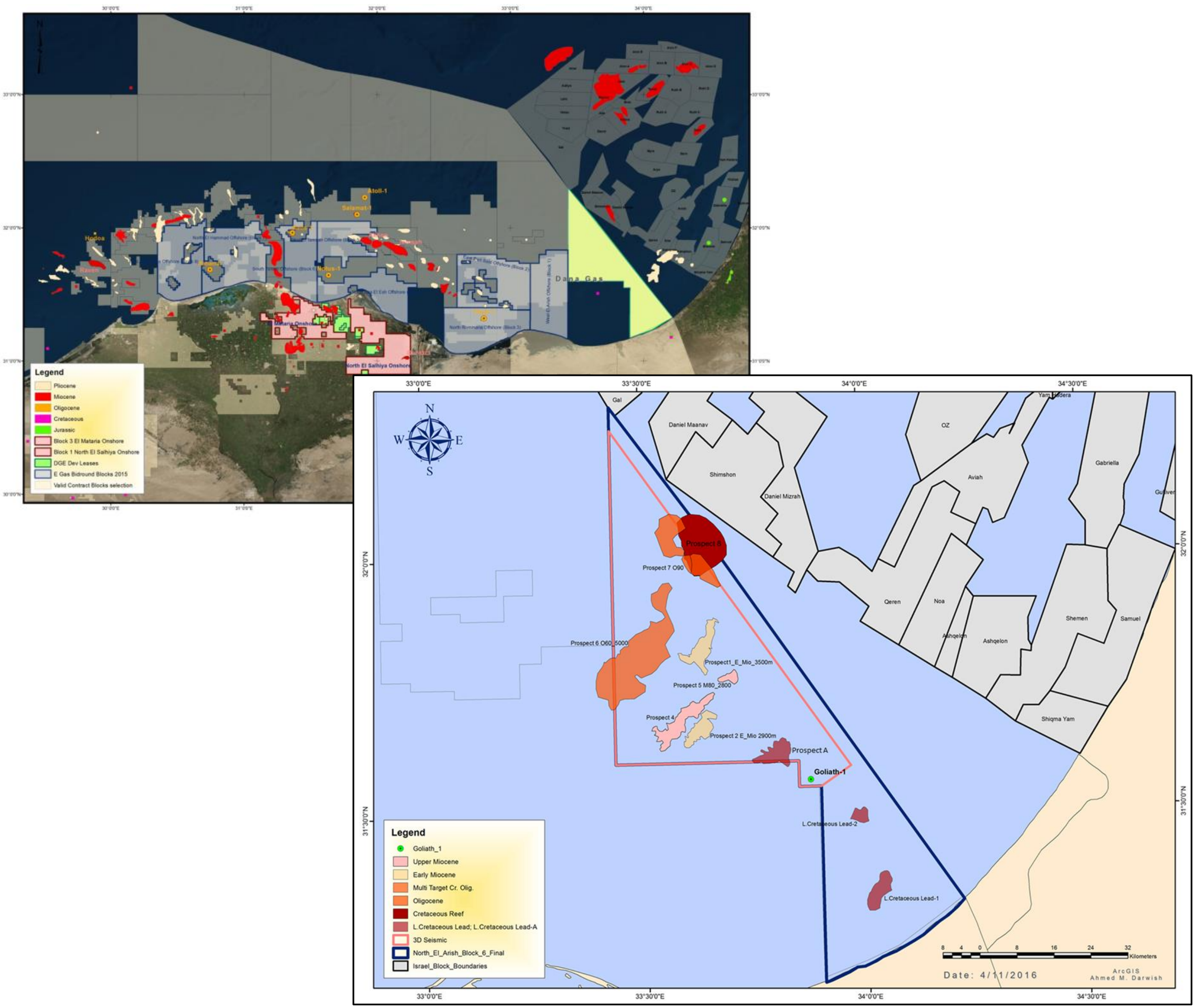
Egypt: Block 3 - El Matarya Exploration



Block-3 (Dana Gas 50% WI)

- BP is operating Block-3 as 50/50 partner and is targeting the deeper, high potential Oligocene play which is proven in the offshore Nile Delta.
- Expected spud date for Mocha-1 exploration well is mid May 2016.
- Studies are underway for early production from Mocha-1 well in the event of success.

Egypt: Block 6 – North El Arish Offshore Update



Block-6 (100% WI)

- 1782 km2 of full fold 3D seismic acquired in October 2015 by PGS Ramform Titan boat.
- 3D seismic processing completed in January 2016.
- Substantial and material prospect inventory emerging in the Oligo-Miocene section.
- Farm-out activities started and interest shown by other companies.

Egypt Summary

- The Company collected $ 24 million in 1Q 2016 realising 86% of the quarter's revenue. 1Q 2016 end total receivables are $ 226 million compared to $ 221 million at end of 2015, an overall increase of $ 5 million.
- The Company continued to deliver the Gas Production Enhancement Project with 13 wells successfully drilled since May 2015 (2 exploration, 8 development and 3 recompletions). The Nile Delta drilling program for the period from the next 12 months includes additional 15 wells of which 11 are exploration and 4 development.
- The successful drilling of the Balsam-4 horizontal well has demonstrated the company's ability to drill and complete the long horizontal sections required to deliver high rate wells. Balsam-4 is capable of delivering 40 mmscf/d if required.
- Post reprocessing of the Block-1 2D and 3D seismic data, the plan is to drill 4 exploration wells in 2017.
- Mocha-1 Oligocene exploration well in Block-3 will be spudded by mid-May 2016 and early production in a success case is being considered.
- Block-6 3D seismic acquisition and processing are completed. A substantial Prospect Inventory is emerging with interest shown by other Operators to farm-in to the block.
- The Company's major capital projects are currently either ahead of or on schedule with the 2016 WP&B.

Kurdistan Operations Q1 2016

Iman Hill
Technical Director and GM UAE & Egypt

Operations in Kurdistan Region of Iraq

- DG share of production averaged 25,500 boepd during 1Q 2016. Gross production details are as follows:
  - 304 MMscfd of natural gas
  - 13,322 bbl/d of condensate
  - 737 MT/d LPG
- Gaffney Cline and Associates have conducted an independent assessment of the Khor Mor and Chemchemal reserves as at 31 December 2015 (next slide)

GCA Estimated Khor Mor and Chemchemal Gross Field Reserves

DANAGAS

Summary of Gross Field Reserves as at 31st December, 2015

Field	Area/Fault Block	Gross Field Reserves					
		Condensate (MMBbl)			Gas (Bscf)		
		Proved (1P)	Proved plus Probable (2P)	Proved plus Probable plus Possible (3P)	Proved	Proved plus Probable	Proved plus Probable plus Possible
Khor Mor	**1 and 2**	**125.7**	**191.1**	**277.8**	**6,227**	**8,470**	**11,184**
Chemchemal	**South**	**69.1**	**119.0**	**162.9**	**3,676**	**6,617**	**9,215**
Total:		**194.8**	**310.1**	**440.7**	**9,903**	**15,087**	**20,399**

Notes:
1. Gross Field Reserves are 100% of the volumes estimated to be commercially recoverable from the field.

GCA Estimated Khor Mor and Chemchemal Gross Field Reserves

DANAGAS

Summary of Gross Field Reserves as at 31st December, 2015 – Wet Gas Equivalent

Field	Area / Fault Block	Gross Field Reserves		
		Wet Gas (Bscf)		
		Proved	Proved plus Probable	Proved plus Probable plus Possible
Khor Mor	1 and 2	6,738	9,165	12,102
Chemchemal	South	3,978	7,160	9,971
Total:		10,716	16,325	22,073

Notes:
1. The Reserves shown in this Table are the sum of the gas and condensate reserves shown separately in the previous slide, expressed as a wet gas equivalent volume.
2. Wet gas Reserves are not in addition to the gas and condensate Reserves reported in the previous slide, but represent the equivalent wet gas Reserve volume.

UAE Operations - Zora Gas Project Update

Iman Hill
Technical Director and GM UAE & Egypt

Zora Operations progress

- The Zora Field has been producing since mid January 2016
- Following the shutdown for engineering design modifications the plant re-commenced production in February
- Gas is being supplied to the customer at the agreed nominated rate
- Further engineering design modifications are required but production will continue until after the summer months
- A planned well workover to optimize production will be executed during the 3Q shutdown for the above modifications

Summary

Dr Patrick Allman-Ward

Chief Executive Officer

Summary

- Overall, we are pleased with how we are progressing.
- We have maintained a good operational performance and made financial progress in the quarter despite the persistent low oil price environment.
- Operations in Egypt and the KRI continue smoothly whilst the Zora Field and Gas Plant were brought on-stream.
- Although our production is down against 1Q 2015, we are now seeing the results of our GPEA investments come through in Egypt with a steady build in production anticipated to reach plant capacity before year end.
- Despite the persistent low oil price environment the Company has remained profitable. Oil prices in the second quarter are already showing significant improvements on first quarter averages.
- Cash collections year to date in Egypt and the KRI are over 85%. Our trade receivables have consequently remained flat.
- A resumption of regular payments in Kurdistan provides greater certainty around our cash flows going forwards.
- The certification of 2P reserves of 990 million boe Dana Gas share in the Khor Mor and Chemchemal fields for the first time confirms the substantial nature and importance of these fields in the Company’s portfolio. These fields are truly world-class asset and probably the largest gas fields in Kurdistan and the whole of Iraq.
- Dana Gas now has certified 2P reserves of over 1.1 billion barrels of oil equivalent.

Reach us:

Dana Gas
P. O. Box 2011, Sharjah, UAE
www.danagas.com

Direct : +971 6 519 4444
Fax : +971 6 556 6522