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20 AUGUST 2010

CASH OFFER

for

Dana Petroleum plc (“Dana”)

by

Korea National Oil Corporation (“KNOC”)

Summary

- KNOC today announces the terms of a cash offer to be made for the entire issued and to be issued ordinary share capital of Dana (the **“Share Offer”**). KNOC also announces a cash offer for the Dana Convertible Bonds (the **“Convertible Bond Offer”**, together with the Share Offer, the **“Offers”**) under which KNOC will offer to acquire the Dana Convertible Bonds.
- The Offers together value the entire issued ordinary share capital of Dana and the Dana Convertible Bonds at approximately £1.87 billion.
- KNOC has received letters of intent in support of the Share Offer from the holders of, in aggregate, approximately 48.62 per cent. of interests in Dana Shares. The letters of intent have been received:
 - from Dana Shareholders in respect of a total of 19,624,157 Dana Shares, representing approximately 21.21 per cent. of the existing issued ordinary share capital of Dana; and
 - from the holders of long positions in Dana Shares (held through contracts for difference (**“CFDs”**)) representing long economic interests in 25,370,615 Dana Shares (representing approximately 27.42 per cent. of the existing issued ordinary share capital of Dana).
- Under the terms of the Share Offer, Dana Shareholders will be entitled to receive 1,800 pence in cash for each Dana Share.
- The price of 1,800 pence for each Dana Share represents a premium of approximately:
 - 59 per cent. to 1,135 pence, being the closing mid-market price per Dana Share on 30 June 2010 (being the last Business Day prior to the date of the announcement that Dana had received an approach and the commencement of the Offer Period); and
 - 56 per cent. to 1,151 pence, being the average closing mid-market price per Dana Share for the six months up to and including 30 June 2010 (being the last Business Day prior to the date of the announcement that Dana had received an approach and the commencement of the Offer Period).
- KNOC believes that the Share Offer incorporates a full and fair value for Dana’s entire portfolio of production, development and exploration assets and provides Dana

Shareholders with an opportunity to realise a compelling value in cash at a significant premium to Dana's pre-bid speculation share price.

- Under the terms of the Convertible Bond Offer, Dana Convertible Bondholders will be entitled to receive £141,509.43 in cash for each £100,000 principal amount of the Dana Convertible Bonds, if the Share Offer becomes or is declared unconditional on or before 17 November 2010. This reflects the adjusted exchange price of the Dana Convertible Bonds which applies in the event of a change of control of Dana. If the Share Offer becomes or is declared unconditional after 17 November 2010, the Dana Convertible Bondholders will be entitled to receive £142,959.43 in cash for each £100,000 principal amount of the Dana Convertible Bonds. This reflects the adjusted exchange price of the Dana Convertible Bonds which applies in the event of a change of control of Dana, plus the interest payment that would be due to Dana Convertible Bondholders on 17 January 2011.
- KNOC is a fully state-owned energy company whose objectives are to explore and secure energy sources and to store and distribute petroleum stocks for the Republic of Korea.
- KNOC has an ambitious strategy to grow its production and reserve base and intends to achieve this growth, in part, through the acquisition of oil and gas assets and companies. KNOC already has a well-established track-record of international acquisitions and Dana represents an opportunity for KNOC to expand further its core lines of international business.
- KNOC considers the talented operational management team and employees of Dana to be an important part of the continued development and expansion of the combined business. KNOC does not contemplate material changes to Dana's activities at the operational site level.

Commenting on the Offers, Dr. Seong-Hoon Kim, Senior Executive Vice President of KNOC, said:

"We believe that our offer of 1,800 pence per share fully and fairly reflects all of Dana's recently announced and ongoing developments, together with its exploration potential.

Our view on value is based on a very detailed analysis of Dana and takes into account all of the information available to us, including the recent operational and corporate transaction announcements by Dana.

It has always been our desire to agree a recommended transaction with the Board of Dana and we are very disappointed that the Board of Dana does not agree that 1,800 pence per share represents a full and fair value for the Company.

We believe that we have no alternative other than to put our attractive proposal directly to shareholders given the inability to reach a private agreement with the Board of Dana.

We hope that Dana Shareholders will recognise the merits of our offer in order to bring this process to a successful conclusion."

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Merrill Lynch International ("Bank of America Merrill Lynch"), a subsidiary of Bank of America Corporation, is acting exclusively for KNOC and no one else in connection with the Offers and this announcement and will not be responsible to anyone other than KNOC for providing the protections afforded to its clients or for providing advice in connection with the Offers or any matter referred to herein.

This announcement is for informational purposes only and does not constitute an offer to sell or an invitation to purchase any securities or the solicitation of an offer to buy any securities, pursuant to the Offers or otherwise. The Offers will be made solely by means of an Offer Document and the Form of Acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offers, including details of how the Offers may be accepted.

This announcement has been prepared for the purpose of complying with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.

Unless otherwise determined by KNOC or required by the City Code, and permitted by applicable law and regulation, the Offers will not be made, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and the Offers will not be capable of acceptance from or within a Restricted Jurisdiction. Accordingly, copies of this announcement and all documents relating to the Offers are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this announcement and all documents relating to the Offers (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions as doing so may invalidate any purported acceptance of the Offers.

The availability of the Share Offer to Dana Shareholders and the availability of the Convertible Bond Offer to Dana Convertible Bondholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.

KNOC reserves the right to elect, with the agreement of Dana and the consent of the Panel (where necessary), to implement the acquisition of Dana by way of a court-approved scheme of arrangement in accordance with Part 26 of the Act. In such event, the acquisition will be implemented on substantially the same terms, subject to appropriate amendments, as those which would apply to the Offers.

If you are a resident of the United States, please read the following:

The Offers are being made for the securities of Dana, a company incorporated under the laws of England and Wales, and are being made in the United States in compliance with, and reliance on,

Section 14(e) of the US Exchange Act of 1934 and Regulation 14E thereunder. The Offers will be made in the United States by KNOC and no one else.

The Offers are subject to disclosure and procedural requirements of the United Kingdom which are different from those in the United States. In addition, the payment and settlement procedures with respect to the Offers will comply with the relevant United Kingdom rules, which differ from United States payment and settlement procedures.

In accordance with normal UK market practice, KNOC, or its nominees, or its brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, Dana Shares, other than pursuant to the Share Offer, or Dana Convertible Bonds, other than pursuant to the Convertible Bond Offer, before or during the period in which the Offers remain open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the United Kingdom.

The Offers will be subject to the applicable requirements of the City Code, the Panel, the London Stock Exchange and the Financial Services Authority.

Forward Looking Statements

This announcement contains statements about KNOC and Dana that are or may be forward looking statements. All statements other than statements of historical facts included in this announcement may be forward looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “estimates”, “projects” or words or terms of similar substance or the negative thereof, are forward looking statements. Forward looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of KNOC’s or Dana’s operations and potential synergies resulting from the Offers; and (iii) the effects of government regulation on KNOC’s or Dana’s business.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. KNOC disclaims any obligation to update any forward looking or other statements contained herein, except as required by applicable law.

Disclosure requirements of the Takeover Code (the “Code”)

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons

who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at <http://www.thetakeoverpanel.org.uk>, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.

This summary should be read in conjunction with the full text of this announcement. Appendix I to this announcement contains the conditions to, and certain further terms of, the Offers. Appendix II to this announcement contains further details of the sources of information and bases of calculations set out in this announcement, Appendix III contains a summary of the letters of intent received and Appendix IV contains definitions of certain expressions used in this summary and in this announcement.

Publication on Website

A copy of this announcement will be made available, free of charge, at www.knoc.co.kr/ENG/main.jsp by no later than 12 noon (London time) on 23 August 2010.

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1 Introduction

KNOC announces the terms of a cash offer to acquire the entire issued and to be issued ordinary share capital of Dana (the “**Share Offer**”). KNOC also announces a cash offer for the Dana Convertible Bonds (the “**Convertible Bond Offer**”, together with the Share Offer, the “**Offers**”) under which KNOC will offer to acquire the Dana Convertible Bonds.

The Offers together value the entire issued ordinary share capital of Dana and the Dana Convertible Bonds at approximately £1.87 billion.

2 The Share Offer

Under the Share Offer, which will be subject to the conditions and further terms set out below and in Appendix I and the full terms and conditions which will be set out in the Offer Document, Dana Shareholders will be entitled to receive:

for each Dana Share

1,800 pence in cash

The price of 1,800 pence for each Dana Share represents a premium of approximately:

- 59 per cent. to 1,135 pence, being the closing mid-market price per Dana Share on 30 June 2010 (being the last Business Day prior to the date of the announcement that Dana had received an approach and the commencement of the Offer Period); and
- 56 per cent. to 1,151 pence, being the average closing mid-market price per Dana Share for the six months up to and including 30 June 2010 (being the last Business Day prior to the date of the announcement that Dana had received an approach and the commencement of the Offer Period).

KNOC believes that the Share Offer incorporates a full and fair value for Dana’s entire portfolio of production, development and exploration assets and provides Dana Shareholders with an opportunity to realise a compelling value in cash at a significant premium to Dana’s pre-bid speculation share price.

The Dana Shares acquired under the Share Offer will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date of this announcement.

3 The Convertible Bond Offer

Under the terms of the Convertible Bond Offer, which will be subject to the conditions and the further terms set out below and in Appendix I and the full terms and conditions that will be set out in the Offer Document, Dana Convertible Bondholders will be entitled to receive:

**If the Share Offer becomes or is declared unconditional
on or before 17 November 2010,
£141,509.43 in cash for each £100,000 principal amount of Dana Convertible Bonds**
or

**If the Share Offer becomes or is declared unconditional after 17 November 2010,
£142,959.43 in cash for each £100,000 principal amount of Dana Convertible Bonds**

The cash consideration payable under the Convertible Bond Offer reflects the adjusted exchange price of the Dana Convertible Bonds which would apply in the event of a change of control of Dana, as summarised below (the “**Change of Control Exchange Price**”). KNOC reserves the right to adjust the terms of the Convertible Bond Offer if, prior to the date on which the Share Offer becomes unconditional, Dana takes any action which results or would result in any adjustment to the exchange price of the Dana Convertible Bonds.

If a Dana Convertible Bondholder holds Dana Convertible Bonds in amounts which are not multiples of £100,000, that Dana Convertible Bondholder will be entitled to receive (i) £1,415.0943 in respect of each multiple of £1,000 principal amount of Dana Convertible Bonds if the Share Offer becomes or is declared unconditional on or before 17 November 2010 or (ii) £1,429.5943 in respect of each multiple of £1,000 principal amount of Dana Convertible Bonds if the Share Offer becomes or is declared unconditional after 17 November 2010. The aggregate amounts payable to Dana Convertible Bondholders who accept the Convertible Bond Offer will be rounded down to the nearest pence.

The current exchange price that applies under the terms and conditions of the Dana Convertible Bonds (the “**Bond Conditions**”) is £16.45 per Dana Share. If and when the Share Offer becomes or is declared wholly unconditional then, for a period from such date until the date which falls 60 calendar days after the later of the date of the Share Offer becoming or being declared wholly unconditional and the date Dana gives Dana Convertible Bondholders notice (a “**Relevant Event Notice**”) of that fact (the “**Relevant Event Period**”), Dana Convertible Bondholders would be able to exercise their rights to convert their Dana Convertible Bonds into Dana Shares at the Change of Control Exchange Price. Assuming the exchange price mentioned above does not change over or before the Relevant Event Period, the Change of Control Exchange Price applicable to the Dana Convertible Bonds during the Relevant Event Period would be £12.72 per Dana Share.

The cash payable under the Convertible Bond Offer (if the Share Offer becomes or is declared unconditional on or before 17 November 2010) is equal to the amount that would be received by a Dana Convertible Bondholder who, within the Relevant Event Period, validly converted his Dana Convertible Bonds into Dana Shares at the Change of Control Exchange Price applicable to the Dana Convertible Bonds and, if the Share Offer remained open for acceptances, accepted the Share Offer in respect of such Dana Shares. The increased cash amount payable under the Convertible Bond Offer if the Share Offer becomes or is declared unconditional after 17 November 2010 reflects the interest payment that would be due to Dana Convertible Bondholders on 17 January 2011.

The Share Offer extends to all Dana Shares unconditionally allotted or issued upon any conversion of Dana Convertible Bonds whilst the Share Offer is open for acceptance (or any earlier date as KNOC may, subject to the City Code, decide) and, accordingly, Dana Convertible Bondholders who validly convert their Dana Convertible Bonds into Dana Shares during such period will, subject to the terms and conditions contained in this announcement, be eligible to accept the Share Offer. Such Dana Convertible Bondholders should note, however, that conversion outside the Relevant Event Period described above would not be at the Change of Control Exchange Price but at the current exchange price of £16.45 per Dana Share.

The Convertible Bond Offer will be conditional on the Share Offer becoming or being declared unconditional in all respects.

Dana Convertible Bondholders should note that they have the right to require Dana to redeem their Dana Convertible Bonds on the “**Relevant Event Put Date**”, being the 14th London business day after the end of the Relevant Event Period, at the principal amount of such Dana Convertible Bonds together with interest accrued to, but excluding, the Relevant Event Put Date.

Dana Convertible Bondholders should note that if they accept the Convertible Bond Offer and the Convertible Bond Offer becomes wholly unconditional they will not thereafter be entitled to require redemption of their Dana Convertible Bonds as referred to above.

4 Background to and reasons for the Offers

KNOC has an ambitious strategy to grow its production and reserve base with a strategic objective to achieve production volumes of 0.3 million boe per day and reserves of 2 billion boe by 2012. KNOC intends to achieve this growth, in part, through the acquisition of oil and gas assets and companies.

KNOC has a well-established track-record of international acquisitions having acquired, during 2008 and 2009, Harvest Energy Trust (Canada) for approximately US\$3.9 billion, a 85 per cent. stake in Sumbe JSC (Kazakhstan) for approximately US\$284 million, a 50 per cent. stake in Peru-focused Offshore International Group, Inc. for approximately US\$450 million and a 80 per cent. stake in Taylor Energy Company LLC (renamed ANKOR Energy) in the USA for approximately US\$877.4 million.

With its focus on the North Sea and Africa, Dana represents an opportunity for KNOC to expand its core lines of international business.

KNOC believes that the Share Offer is attractive for Dana Shareholders, incorporating a full and fair value for Dana’s entire portfolio of production, development and exploration assets, providing certainty, in cash, at a compelling value, and representing a significant premium to Dana’s pre-bid speculation share price.

KNOC also believes that the Share Offer fully and fairly reflects all of Dana’s recently announced and ongoing developments, together with its exploration potential, and follows an original indicative proposal of 1,700 pence per Dana Share tabled by KNOC on 17 June 2010. KNOC has not made any negative adjustment to the Share Offer for Bamboo or Monkwell drilling results or for the unfavourable movement in the US\$/£ exchange rate since the original indicative proposal.

Dana has recently acquired Petro-Canada Netherlands B.V. (“**Petro-Canada Netherlands**”) through a competitive auction in its effort to achieve growth. KNOC’s Share Offer assumes

that Dana has paid, and will continue to pay, full and fair value for any assets acquired through such auction processes.

A significant proportion of Dana's assets are in development. The future performance of Dana will be subject to the on-time and on-budget start-up of these developments. KNOC believes that the Offers incorporate full and fair value for these future developments, today, in cash.

5 Letters of intent

In its announcement on 12 August 2010, Dana stated that "It is very clear to the Dana Board that KNOC is also unwilling to ascribe any value to Dana's ongoing business development programme, despite being aware of significant, well advanced, non-public and valuable activities in this area, which could materially increase Dana's oil production and reserves in the near term, and which Dana believes would be in line with KNOC's publicly stated strategy of acquiring reserves and production."

In the light of the assertion that KNOC continues to be aware of significant, well advanced, non-public information, and given that Dana has not made any further announcement, as a matter of prudence, KNOC has not acquired any Dana Shares and has not sought any irrevocable undertakings to accept the Share Offer.

However, KNOC has received letters of intent from the holders of, in aggregate, 48.62 per cent. of interests in Dana shares. The letters of intent have been received:

- from Dana Shareholders in respect of a total of 19,624,157 Dana Shares, representing approximately 21.21 per cent. of the existing issued ordinary share capital of Dana; and
- from the holders of long positions in Dana Shares (held through contracts for difference ("CFDs")) representing long economic interests in 25,370,615 Dana Shares (representing approximately 27.42 per cent. of the existing issued ordinary share capital of Dana).

The letters of intent from Dana Shareholders contain non-binding statements of intent to accept, or procure the acceptance of, the Share Offer. The letters of intent from the holders of long CFDs contain non-binding statements of intent to use reasonable endeavours (or to seek) to procure the acceptance of the Share Offer in respect of any underlying Dana Shares represented by the CFDs.

Further details of these letters of intent are set out in Appendix III to this announcement.

6 Information on KNOC

KNOC is a fully state-owned energy company whose objectives are to explore and secure energy sources and to store and distribute petroleum stocks for the Republic of Korea.

KNOC was established as the Korea Petroleum Development Corporation in 1979 and was renamed KNOC in 1999.

As at 30 June 2010, KNOC operated 47 blocks of exploration, development and production in 17 countries, with 2P reserves of 861 million boe and daily production of 131,790 boe. In addition, as at 30 June 2010, KNOC had 124 million bbl of stockpiles with 9 stockpiling facilities in the Republic of Korea, representing total capacity of 146 million bbl.

For the year ended 31 December 2009, KNOC reported sales of approximately US\$1.5 billion, net income of approximately US\$361 million and total assets (as at 31 December 2009) of approximately US\$14.7 billion.

7 Information on Dana

Dana is an independent oil and gas exploration and production company with shares listed on the Official List of the London Stock Exchange. Dana's activities are focused within the two core areas of Europe (North Sea) and Africa (North & West).

On 13 August 2010, Dana completed the acquisition of Petro-Canada Netherlands, an upstream oil and gas exploration and production company operating in the Dutch sector of the North Sea, from Petro-Canada (International) Holdings B.V., a wholly-owned subsidiary of Suncor Energy Inc., for an estimated net cash consideration of approximately €328 million (approximately £270 million or US\$393 million).

As at 21 July 2010, Dana was producing from 36 oil and gas fields across four countries and holding interests in more than 100 exploration and production licences spanning nine countries. Dana's production average was 39,365 boepd in 2008, 38,653 boepd in 2009 and approximately 38,700 boepd for the period from 1 January 2010 to 18 May 2010. Petro-Canada Netherlands' net production for the six month period ended 30 June 2010 averaged 10,825 boepd.

For the year ended 31 December 2009, Dana reported total revenue of approximately £397.3 million, profit before tax (excluding exceptional items) of approximately £56.4 million and earnings per share (excluding exceptional items) of 25.19 pence per Dana Share. For the year ended 31 December 2009, Petro-Canada Netherlands generated net profit before tax of €142.8 million.

As at 31 December 2009, Dana had net assets of £657.1 million and Petro-Canada Netherlands had net assets of €105.2 million.

8 Management, employees and locations

KNOC highly values the skills, knowledge and expertise of Dana's existing operational management and employees, and expects them to play an important role in the further development and growth of the business. In due course, KNOC intends to enter into discussions with Dana's senior management regarding their potential continuing involvement in the enlarged business. Based on the information presently known to it, KNOC has no plans to change Dana's places of business and does not contemplate material changes to Dana's activities at the operational site level.

If the Share Offer becomes or is declared unconditional in all respects, KNOC intends that the existing employment rights of all Dana Group employees would continue to be safeguarded in accordance with statutory and contractual requirements.

9 Dana Share Schemes

Participants in Dana Share Schemes will be contacted regarding the effect of the Share Offer on their rights under the Dana Share Schemes and appropriate proposals will be made to such participants in due course. The Share Offer will extend to any Dana Shares which are unconditionally allotted or issued as a result of the exercise of existing options

and vesting of awards under the Dana Share Schemes before the date on which the Share Offer closes.

10 Financing

KNOC is providing the cash consideration payable under the Offers from its own resources and committed debt financing for the Offers.

Bank of America Merrill Lynch, financial adviser to KNOC, is satisfied that sufficient resources are available to satisfy in full the cash consideration payable to Dana Shareholders and Dana Convertible Bondholders under the terms of the Offers.

11 Regulatory issues

The Offers will be subject to the conditions and further terms set out below and in Appendix I and the full terms and conditions which will be set out in the Offer Document. The Offers will be conditional upon, amongst other things, clearance from the Office of Fair Trading in the United Kingdom and relevant confirmations or approvals from the UK Secretary of State, the Norwegian Ministry of Petroleum and Energy and the Norwegian Ministry of Finance that the relevant exploration and production licences held by the Wider Dana Group will continue in full force following the Offers.

Having taken legal advice, KNOC is confident that any regulatory aspects relating to the consummation of the Offers are capable of being successfully dealt with.

12 Disclosure of Interest in Dana Shares

As at the date of this announcement, none of KNOC, any of the directors of KNOC, or, so far as KNOC is aware, any person acting in concert (within the meaning of the City Code) with KNOC owns or controls any Dana Shares or any securities convertible or exchangeable into Dana Shares (including pursuant to any long exposure, whether conditional or absolute, to changes in the prices of securities) or any rights to subscribe for or purchase the same, or holds any options (including traded options) in respect of, or has any option to acquire, any Dana Shares or has entered into any derivatives referenced to Dana Shares (“**Relevant Dana Shares**”) which remain outstanding, nor does any such person have any arrangement in relation to Relevant Dana Shares. An “arrangement” for these purposes also includes any indemnity or option arrangement, or any agreement or understanding, formal or informal, of whatever nature, relating to Relevant Dana Shares which may be an inducement to deal or refrain from dealing in such securities.

13 Offer Document

It is expected that the Offer Document and the Form of Acceptance accompanying the Offer Document will be published as soon as practicable and, in any event, (save with the consent of the Panel) within 28 days of this announcement. The Offer Document and Form of Acceptance will be made available to all Dana Shareholders and Dana Convertible Bondholders at no charge to them.

Dana Shareholders and Dana Convertible Bondholders are urged to read the Offer Document and the appropriate accompanying Form of Acceptance (if relevant) when they are sent to them because they will contain important information.

14 Delisting, cancellation of trading, compulsory acquisition and re-registration

If KNOC receives acceptances under the Share Offer in respect of, or otherwise acquires, 90 per cent. or more of Dana Shares to which the Share Offer relates, KNOC intends to exercise its rights pursuant to the provisions of Part 28 of the Act, as applicable, to acquire compulsorily the remaining Dana Shares in respect of which the Share Offer has not been accepted on the same terms as the Share Offer.

If the Share Offer becomes or is declared unconditional in all respects, and sufficient acceptances under the Share Offer are received, KNOC intends to procure that Dana makes applications to cancel the listing of Dana Shares from the UKLA's Official List and to cancel admission to trading in Dana Shares on the London Stock Exchange's market for listed securities. De-listing is likely to reduce significantly the liquidity and marketability of any Dana Shares in respect of which the Share Offer has not been accepted.

It is anticipated that cancellation of listing on the Official List and of admission to trading on the London Stock Exchange will take effect no earlier than 20 Business Days after either (i) the date on which KNOC has, by virtue of its shareholdings and acceptances of the Share Offer, acquired or agreed to acquire issued share capital carrying 75 per cent. of the voting rights of Dana or (ii) the first date of issue of compulsory acquisition notices under Part 28 of the Act, as applicable. KNOC will notify Dana Shareholders when the required 75 per cent. has been attained and confirm that the notice period has commenced and the anticipated date of cancellation.

Dana Convertible Bondholders should note that Dana is entitled to redeem the Dana Convertible Bonds, for the time being outstanding at their principal amount, together with interest accrued to the date fixed for redemption:

- (i) at any time if conversion rights in respect of the Dana Convertible Bonds shall have been exercised and/or purchases and/or redemptions effected in respect of 85 per cent. or more in principal amount of the Dana Convertible Bonds originally issued; or
- (ii) at any time during the 45 day period immediately following the Relevant Event Period.

If the Share Offer becomes or is declared unconditional in all respects, KNOC intends to exercise the right to redeem all outstanding Dana Convertible Bonds pursuant to the above provisions and reserves the right to convert any Dana Convertible Bonds acquired by it in pursuance of the Convertible Bond Offer or to cause Dana (or any subsidiary of Dana) to redeem such Dana Convertible Bonds.

15 General

The Offers will be made on the terms and subject to the conditions and further terms set out herein and in Appendix I to this announcement. The bases and sources of certain financial information contained in this announcement are set out in Appendix II to this announcement. A summary of letters of intent received is contained in Appendix III to this announcement. Certain terms used in this announcement are defined in Appendix IV to this announcement.

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Mark Antelme

Merrill Lynch International ("Bank of America Merrill Lynch"), a subsidiary of Bank of America Corporation, is acting exclusively for KNOC and no one else in connection with the Offers and this announcement and will not be responsible to anyone other than KNOC for providing the protections afforded to its clients or for providing advice in connection with the Offers or any matter referred to herein.

This announcement is for informational purposes only and does not constitute an offer to sell or an invitation to purchase any securities or the solicitation of an offer to buy any securities, pursuant to the Offers or otherwise. The Offers will be made solely by means of an Offer Document and the Form of Acceptance accompanying the Offer Document, which will contain the full terms and conditions of the Offers, including details of how the Offers may be accepted.

This announcement has been prepared for the purpose of complying with English law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.

Unless otherwise determined by KNOC or required by the City Code, and permitted by applicable law and regulation, the Offers will not be made, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and the Offers will not be capable of acceptance from or within a Restricted Jurisdiction. Accordingly, copies of this announcement and all documents relating to the Offers are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this announcement and all documents relating to the Offers (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions as doing so may invalidate any purported acceptance of the Offers.

The availability of the Share Offer to Dana Shareholders and the Convertible Bond Offer to the Dana Convertible Bondholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are

not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.

KNOC reserves the right to elect, with the agreement of Dana and the consent of the Panel (where necessary), to implement the acquisition of Dana by way of a court-approved scheme of arrangement in accordance with Part 26 of the Act. In such event, the acquisition will be implemented on substantially the same terms, subject to appropriate amendments, as those which would apply to the Offers.

If you are a resident of the United States, please read the following:

The Offers are being made for the securities of Dana, a company incorporated under the laws of England and Wales, and are being made in the United States in compliance with, and reliance on, Section 14(e) of the US Exchange Act of 1934 and Regulation 14E thereunder. The Offers will be made in the United States by KNOC and no one else.

The Offers are subject to disclosure and procedural requirements of the United Kingdom which are different from those in the United States. In addition, the payment and settlement procedures with respect to the Offers will comply with the relevant United Kingdom rules, which differ from United States payment and settlement procedures.

In accordance with normal UK market practice, KNOC, or its nominees, or its brokers (acting as agents) may from time to time make certain purchase of, or arrangements to purchase, Dana Shares, other than pursuant to the Share Offer, or Dana Convertible Bonds, other than pursuant to the Convertible Bond Offer, before or during the period in which the Offers remain open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the United Kingdom.

The Offers will be subject to the applicable requirements of the City Code, the Panel, the London Stock Exchange and the Financial Services Authority.

Forward looking statements

This announcement contains statements about KNOC and Dana that are or may be forward looking statements. All statements other than statements of historical facts included in this announcement may be forward looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “estimates”, “projects” or words or terms of similar substance or the negative thereof, are forward looking statements. Forward looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of KNOC’s or Dana’s operations and potential synergies resulting from the Offers; and (iii) the effects of government regulation on KNOC’s or Dana’s business.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. KNOC disclaims any obligation to update any forward looking or other statements contained herein, except as required by applicable law.

Disclosure requirements of the Takeover Code (the “Code”)

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel’s website at <http://www.thetakeoverpanel.org.uk>, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel’s Market Surveillance Unit on +44 (0)20 7638 0129.

Publication on Website

In accordance with Rule 19.11 of the Code, a copy of this announcement will be made available, free of charge, at www.knoc.co.kr/ENG/main.jsp by no later than 12 noon (London time) on 23 August 2010.

APPENDIX I

CONDITIONS AND FURTHER TERMS OF THE OFFERS

Conditions to the Share Offer

The Share Offer, which will be made by KNOC, will comply with the City Code and will be governed by English law and subject to the jurisdiction of the English courts. In addition, the Share Offer will be subject to the terms and conditions to be set out in the Offer Document. The Share Offer will be subject to the following conditions:

- 1 valid acceptances of the Share Offer being received (and not, where permitted, withdrawn) by no later than 1.00 p.m. (London time) on the first closing date as set out in the Offer Document (or such later time(s) and/or date(s) as KNOC may, subject to the rules of the Code, decide) in respect of not less than 90 per cent. (or such lesser percentage as KNOC may decide) of the Dana Shares to which the Share Offer relates, provided that this condition will not be satisfied unless KNOC and/or any member of the KNOC Group shall have acquired or agreed to acquire (whether pursuant to the Share Offer or otherwise) Dana Shares carrying in aggregate more than 50 per cent. of the voting rights then normally exercisable at a general meeting of Dana. For the purposes of this condition:
 - 1.1 Dana Shares which have been unconditionally allotted but not issued shall be deemed to carry the voting rights which they will carry upon issue;
 - 1.2 the expression "Dana Shares to which the Share Offer relates" shall be construed in accordance with Part 28 of the Act;
 - 1.3 Dana Shares that cease to be held in treasury before the Share Offer becomes or is declared unconditional as to acceptances are Dana Shares to which the Share Offer relates; and
 - 1.4 valid acceptances shall be deemed to have been received in respect of Dana Shares which are treated for the purposes of Part 28 of the Act as having been acquired or contracted to be acquired by KNOC by virtue of acceptances of the Share Offer,provided that, unless KNOC otherwise determines, this condition 1 shall be capable of being satisfied only at a time when all of the other conditions 2 to 10 inclusive have either been satisfied, fulfilled or, to the extent permitted, waived;
- 2 to the extent that the acquisition of all of Dana's Shares by KNOC (the "**Transaction**") would constitute a relevant merger situation within the meaning of section 23 of the Enterprise Act 2002 (the "**Enterprise Act**"):
 - 2.1 the Office of Fair Trading ("**OFT**") indicating in terms reasonably satisfactory to KNOC that the OFT has decided not to refer the Transaction or any part of it to the Competition Commission; or
 - 2.2 the period for considering any merger notice given to the OFT under section 96 of the Enterprise Act 2002 ("**EA**") by KNOC having expired without any such reference being made, provided that sections 100(1)(a), (d) and (f) of the Enterprise Act do not apply in relation to such merger notice;
- 3 Without prejudice to any other paragraph of this Appendix 1:

- 3.1** the Secretary of State not having indicated an intention to: (i) revoke or recommend the revocation of any exploration or production licence held by a member of the Wider Dana Group; or (ii) to require a further change of control of Dana or a member of the Wider Dana Group following a change of control of any of them, as a result of the implementation of the Share Offer;
 - 3.2** the Dutch Ministry of Economic Affairs not having indicated an intention to: (i) revoke or recommend the revocation of any exploration or production licence held by a member of the Wider Dana Group; or (ii) to require a further change of control of Dana or a member of the Wider Dana Group following a change of control of any of them, as a result of the implementation of the Share Offer;
 - 3.3** any necessary consents or approvals from the competent authorities in Egypt (including, but not limited to, the Egyptian General Petroleum Corporation) having been obtained so as to enable any exploration or production licence held by a member of the Wider Dana Group to continue in full force and effect once the Share Offer has been declared wholly unconditional and no such authority having indicated an intention to: (i) revoke or recommend the revocation of any exploration or production licence held by a member of the Wider Dana Group; or (ii) require a further change of control of Dana or a member of the Wider Dana Group following a change of control of any of them, as a result of the implementation of the Share Offer; and
 - 3.4** any necessary consents or approvals from the competent authorities in Norway (including, but not limited to, the Norwegian Ministry of Petroleum and Energy and the Norwegian Ministry of Finance) having been obtained so as to enable any exploration or production licence held by a member of the Wider Dana Group to continue in full force and effect once the Offer has been declared wholly unconditional and no such authority having indicated an intention to: (i) revoke or recommend the revocation of any exploration or production licence held by a member of the Wider Dana Group; or (ii) require a further change of control of Dana or a member of the Wider Dana Group following a change of control of any of them, as a result of the implementation of the Share Offer;
- 4** all necessary notifications and filings having been made in connection with the Share Offer and all statutory and regulatory obligations in connection with the Share Offer in any relevant jurisdiction having been complied with and all Authorisations deemed reasonably necessary or appropriate by KNOC in any relevant jurisdiction for, or in respect of, the Offers and, except pursuant to Part 28, Chapter 3 of the Act, the acquisition or the proposed acquisition of the Dana Shares by KNOC or any member of the Wider KNOC Group having been obtained in terms satisfactory to KNOC from all appropriate Third Parties, all or any applicable waiting and other time periods having expired, lapsed or been terminated (as appropriate) and all such Authorisations (together with all material Authorisations deemed reasonably necessary or appropriate to carry on the business of any member of the Wider Dana Group) remaining in full force and effect at the time at which the Offer becomes otherwise unconditional and there being no notice of any intention to revoke, suspend, restrict, amend or not to renew any such Authorisations;
- 5** no Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or having required any action to be taken, or otherwise having done anything, or having enacted, made or proposed any

statute, regulation or order, or taken any other step that would or might reasonably be expected to:

- 5.1** require, prevent or delay the divestiture, or alter the terms envisaged for any proposed divestiture by any member of the Wider KNOC Group or any member of the Wider Dana Group of all or any part of their respective businesses, assets or properties or impose any limitation on the ability of any member of the Wider KNOC Group or the Wider Dana Group to conduct its business (or any part of it) or to own any of its assets or property or any part of them;
- 5.2** save pursuant to the Offers or Part 28, Chapter 3 of the Act, require any member of the Wider KNOC Group or of the Wider Dana Group to make an offer to acquire any shares or other securities (or the equivalent) in any member of the Wider Dana Group owned by any third party;
- 5.3** impose any limitation on, or result in a delay in, the ability of KNOC directly or indirectly to acquire or to hold or to exercise effectively directly or indirectly all or any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or the equivalent) in Dana or the ability of KNOC to hold or exercise effectively any rights of ownership of shares, loans or other securities in, or to exercise management control over any member of the Wider Dana Group or require a divestiture by KNOC or any member of the Wider KNOC Group of any rights or ownership in respect of shares or other securities in Dana;
- 5.4** otherwise adversely affect the business, assets, liabilities, financial or trading position, profits or prospects of any member of the Wider Dana Group;
- 5.5** result in any member of the Wider Dana Group ceasing to be able to carry on business under any name under which it presently does so; or
- 5.6** make the Share Offer, its implementation or the acquisition or proposed acquisition by KNOC or any member of the Wider KNOC Group of any shares or other securities in, or control or management of, Dana void, unenforceable or illegal, or restrict, prohibit or delay or otherwise interfere with the implementation of, or impose material additional conditions or obligations with respect to the Share Offer, or otherwise challenge or require amendment of, the Share Offer or the acquisition or proposed acquisition of any Dana Shares or the acquisition of control of Dana or any member of the Wider Dana Group by KNOC,

and all applicable waiting and other time periods during which any such Third Party could decide to take, institute, implement or threaten any such action, proceedings, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction having expired, lapsed or been terminated;

- 6** save as Publicly Announced prior to the date of this announcement, there being no provision of any arrangement, agreement, lease, licence, permit or other instrument to which any member of the Wider Dana Group is a party or by or to which any such member or any of its assets is or may be bound or be subject, which as a consequence of the Offers or the acquisition or the proposed acquisition by KNOC or any member of the Wider KNOC Group of any shares or other securities (or the equivalent) in Dana or because of a change in the control or management of any member of the Wider Dana Group or otherwise, would or could result, in:

- 6.1 any monies borrowed by, or any other indebtedness, actual or contingent, of, any member of the Wider Dana Group being or becoming repayable, or being capable of being declared repayable immediately or prior to their or its stated maturity, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
 - 6.2 the creation or enforcement of any mortgage, charge or other security interest, over the whole or any part of the business, property or assets of any member of the Wider Dana Group or any such mortgage, charge or other security interest (whenever arising or having arisen) becoming enforceable;
 - 6.3 any such arrangement, agreement, lease, licence, permit or other instrument being terminated or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
 - 6.4 any assets or interests of any member of the Wider Dana Group being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged;
 - 6.5 the rights, liabilities, obligations or interests of any member of the Wider Dana Group in, or the business of any such member with, any person, firm or body (or any arrangement or arrangements relating to any such interest or business) being terminated, adversely modified or affected;
 - 6.6 any such member of the Wider Dana Group ceasing to be able to carry on business under any name under which it presently does so;
 - 6.7 the value or financial or trading position or profits of Dana or any member of the Wider Dana Group being prejudiced or adversely affected; or
 - 6.8 the creation of any liability (actual or contingent) by any member of the Wider Dana Group;
- 7 save as Publicly Announced prior to the date of this announcement, no resolution of Dana Shareholders in relation to any acquisition or disposal of assets or shares (or the equivalent thereof) in any undertaking or undertakings (or in relation to any merger, demerger, reconstruction, amalgamation or scheme) being passed at a meeting of Dana Shareholders;
- 8 save as Publicly Announced prior to the date of this announcement, no member of the Wider Dana Group having since 31 December 2009:
- 8.1 issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue of additional shares of any class, or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities (save as between Dana and wholly-owned subsidiaries of Dana and save for the issue of Dana Shares pursuant to or in connection with the exercise or vesting of options or awards granted under, or the grant of options or awards under, the Dana Share Schemes);
 - 8.2 recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus issue, dividend or other distribution whether payable in cash or otherwise (other than dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by any wholly-owned subsidiary of Dana to Dana or any of its wholly-owned subsidiaries);

- 8.3** (save for transactions between Dana and its wholly-owned subsidiaries and transactions in the ordinary course of business) implemented, effected, authorised, proposed or announced its intention to implement, effect, authorise or propose any merger, demerger, reconstruction, amalgamation, scheme, commitment or acquisition or disposal of assets or shares (or the equivalent thereof) in any undertaking or undertakings;
- 8.4** (save for transactions between Dana and its wholly-owned subsidiaries and save for transactions in the ordinary course of business) disposed of, or transferred, mortgaged or created any security interest over any asset or any right, title or interest in any asset or authorised, proposed or announced any intention to do so;
- 8.5** issued, authorised or proposed or announced an intention to authorise or propose, the issue of any debentures or incurred or increased any indebtedness or contingent liability;
- 8.6** entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, unusual or onerous nature or magnitude or which involves or is reasonably likely to involve an obligation of such a nature or magnitude;
- 8.7** entered into or varied or authorised, proposed or announced its intention to enter into or vary the terms of, or make any offer (which remains open for acceptance) to enter into or vary the terms of, any service agreement with any director or senior executive of any member of the Wider Dana Group;
- 8.8** proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Wider Dana Group;
- 8.9** purchased, redeemed or repaid or announced a proposal to purchase, redeem or repay any of its own shares or other securities (or the equivalent) or reduced or made any other change to or proposed the reduction or other change to any part of its share capital;
- 8.10** waived, compromised or settled any claim;
- 8.11** terminated or varied the terms of any agreement or arrangement between any member of the Wider Dana Group and any other person in a manner which would or might reasonably be expected to have a material adverse effect on the financial position of the Wider Dana Group taken as a whole;
- 8.12** made any alteration to its memorandum or articles of association;
- 8.13** made or agreed or consented to any significant change to the terms of the trust deeds constituting the pension schemes established for its directors and/or employees and/or their dependants or to the benefits which accrue, or to the pensions which are payable, thereunder, or to the basis on which qualification for or accrual or entitlement to such benefits or pensions are calculated or determined or to the basis upon which the liabilities (including pensions) of such pension schemes are funded or made, or agreed or consented to any change to the trustees involving the appointment of a trust corporation;

- 8.14 been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of any business;
 - 8.15 taken or proposed any corporate action or had any action or proceedings or other steps instituted against it for its winding-up (voluntary or otherwise), dissolution or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction; or
 - 8.16 entered into any agreement, arrangement or commitment or passed any resolution or made any proposal or announcement with respect to, or to effect, any of the transactions, matters or events referred to in this condition 8;
- 9 save as Publicly Announced prior to the date of this announcement, since 31 December 2009 there having been:
- 9.1 no adverse change or deterioration in the business, assets, financial or trading position or profits or prospects of any member of the Wider Dana Group;
 - 9.2 no litigation, arbitration proceedings, prosecution or other legal proceedings having been announced or instituted by or against or remaining outstanding against or in respect of any member of the Wider Dana Group and no enquiry or investigation by or complaint or reference to any Third Party against or in respect of any member of the Wider Dana Group having been threatened, announced or instituted or remaining outstanding, against or in respect of any member of the Wider Dana Group;
 - 9.3 no contingent or other liability having arisen or become apparent to any member of the KNOC Group which might reasonably be expected to adversely affect any member of the Wider Dana Group; and
 - 9.4 no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Dana Group which is necessary for the proper carrying on of its business; and
- 10 KNOC not having discovered:
- 10.1 that the financial, business or other information concerning the Wider Dana Group Publicly Announced or disclosed at any time by or on behalf of any member of the Wider Dana Group is misleading, contains a misrepresentation of fact or omits to state a fact necessary to make the information contained therein not misleading;
 - 10.2 that any member of the Wider Dana Group is, otherwise than in the ordinary course of business, subject to any liability, contingent or otherwise;
 - 10.3 that any past or present member of the Wider Dana Group has failed to comply in any material respect with any and/or all applicable legislation or regulations of any jurisdiction with regard to the storage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous or harmful substance or any substance likely to impair the environment or harm human or animal health or otherwise relating to environmental matters or that there has been any such storage, presence, disposal,

discharge, spillage, release, leak or emission (whether or not the same constituted non-compliance by any person with any such legislation or regulation, and whenever the same may have taken place), any of which non-compliance would be likely to give rise to any material liability (whether actual or contingent) or cost on the part of any member of the Wider Dana Group; or

- 10.4** there is, or is reasonably likely to be, any material obligation or liability (whether actual or contingent) of any past or present member of the Wider Dana Group to make good, repair, reinstate or clean up any property or any controlled waters now or previously owned, occupied, operated or made use of or controlled by any past or present member of the Wider Dana Group under any environmental legislation, regulation, notice, circular or order of any government, governmental, quasi-governmental, state or local government, supranational, statutory or other regulatory body, agency, court, association or any other person or body in any jurisdiction.

KNOC reserves the right to waive, in whole or in part, all or any of the above conditions 2 to 10 (inclusive).

If KNOC is required by the Panel to make an offer for Dana Shares under the provisions of Rule 9 of the Code, KNOC may make such alterations to any of the above conditions, including condition 1 above, and terms of the Offer as are necessary to comply with the provisions of that Rule.

The Share Offer will lapse unless all the above conditions have been fulfilled or, where permitted, waived or, where appropriate, have been determined by KNOC to be or remain satisfied, by midnight (London time) on the twenty-first day after the later of the first closing date of the Share Offer and the date on which condition 1 is fulfilled (or in, each case, such later date as KNOC may determine, in accordance with the City Code).

KNOC shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled, any of conditions 2 to 10 (inclusive) by a date earlier than the latest date for the fulfilment of that condition notwithstanding that the other conditions of the Share Offer may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such conditions may not be capable of fulfilment.

The Offer will lapse if (unless otherwise agreed by the Panel) it is referred to the Competition Commission before the later of 1.00 p.m. (London time) on the first closing date of the Share Offer and the date when the Share Offer becomes or is declared unconditional as to acceptances.

The Dana Shares acquired under the Share Offer will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date of this announcement. Accordingly, insofar as a dividend and/or a distribution and/or a return of capital is proposed, declared, made, paid or payable by Dana in respect of a Dana Share after the date of this announcement, the price payable under the Share Offer in respect of a Dana Share will be reduced by the amount of the dividend and/or distribution and/or return of capital except insofar as the Dana Share is or will be transferred pursuant to the Share Offer on a basis which entitles KNOC alone to receive the dividend and/or distribution and/or return of capital and to retain it. To the extent that a reduction in the price payable pursuant to the Share Offer in respect of a Dana Share is to apply in respect of a dividend and/or distribution and/or return of capital but that reduction in price has not been effected, the person to whom the Share Offer price is paid in respect of that Dana Share will be obliged to account to KNOC for the amount of such dividend or distribution.

If the Share Offer lapses, the Share Offer will cease to be capable of further acceptance and accepting Dana Shareholders and KNOC shall cease to be bound by Forms of Acceptance submitted at or before the time when the Share Offer so lapses.

KNOC reserves the right to elect, with the agreement of Dana and the consent of the Panel (where necessary), to implement the acquisition of Dana by way of a court-approved scheme of arrangement in accordance with Part 26 of the Act. In such event, the acquisition will be implemented on substantially the same terms, subject to appropriate amendments, as those which would apply to the Offers.

Conditions to the Convertible Bond Offer

The Convertible Bond Offer is conditional upon the Share Offer becoming or being declared unconditional in all respects.

APPENDIX II

SOURCES OF INFORMATION AND BASES OF CALCULATION

- (i) The value placed by the Offers on the existing issued share capital of Dana and the Dana Convertible Bonds is based on:
 - (a) 92,535,438 Dana Shares in issue on as announced by Dana on 6 July 2010 for the purpose of Rule 2.10 of the City Code;
 - (b) the full £141,500,000 principal amount of the Dana Convertible Bonds converting into 11,124,213 Dana Shares at a Change of Control Exchange Price of 1,272 pence; and
 - (c) price per Dana Share under the Share Offer of 1,800 pence.
- (ii) As at the date of this announcement, the Dana Convertible Bonds would, on conversion following the Share Offer becoming or being declared wholly unconditional, convert into 11,124,213 Dana Shares at a Change of Control Exchange Price of 1,272 pence per Dana Share. This information has been extracted from the offering circular issued by Dana (Jersey) Limited on 12 July 2007 in connection with the Dana Convertible Bonds.
- (iii) The closing mid-market share prices for the six months up to and including 30 June 2010 are taken from the London Stock Exchange Daily Official List.
- (iv) Unless otherwise stated, the financial information relating to Dana is extracted from the audited consolidated financial statements of Dana for the financial year to 31 December 2009, prepared in accordance with IFRS.
- (v) The financial information relating to Petro-Canada Netherlands and information on Dana as at 21 July 2010, is extracted from the circular to Dana Shareholders issued by Dana dated 21 July 2010 in connection with the acquisition of Petro-Canada Netherlands. Any additional information relating to the acquisition and/or business of Petro-Canada Netherlands is also extracted from that circular. This includes a £/€ exchange rate of 0.825 as at 10 June 2010 and a US\$/€ exchange rate of 1.199 as at 10 June 2010.
- (vi) The financial information relating to KNOC is extracted from the audited consolidated financial statements of KNOC for the year ended 31 December 2009, prepared in accordance with accounting principles for government-controlled corporations, as issued by the Ministry of Strategy and Finance of Korea and in accordance with Korean GAAP.
- (vii) The production information for Dana is extracted from the Annual Report, the annual report and accounts of Dana for the year ended 31 December 2008 and the interim management statement released by Dana on 18 May 2010.

APPENDIX III LETTERS OF INTENT

Part 1

Non-binding letters of intent to accept, or procure the acceptance of, the Share Offer have been received in relation to the following Dana Shares:

Name	Number of Dana Shares	Percentage of existing issued share capital of Dana
Schroder Investment Management Limited ⁽¹⁾	14,315,380	15.47
BlackRock Investment Management (UK) Limited	2,921,997	3.16
JP Morgan Asset Management	2,386,780	2.58
Total	19,624,157	21.21

(1) Includes 2,110,636 Dana Shares where the relevant provider of the letter of intent does have the relevant authority to accept the Share Offer, but does not have the authority to vote in respect of those clients' holdings in Dana Shares.

Part 2

Non-binding letters of intent have been received from the following holders of contracts for difference:

Name	Long interest in Dana Shares held via contract for differences	Percentage long interest in the existing issued share capital of Dana
Eton Park International LLP	3,173,173	3.43
Jabre Capital Partners	3,032,615	3.28
Davidson Kempner European Partners LLP ⁽¹⁾	2,965,818	3.21
Tyrus Capital LLP	2,305,000	2.49
Pentwater Capital Management LP	2,300,000	2.49
P. Schoenfeld Asset Management LLP ⁽²⁾	1,941,556	2.10
Halcyon Master Fund LP	1,500,000	1.62
Westchester Capital ⁽³⁾	1,316,990	1.42

Centaurus Capital Limited	1,256,935	1.36
Carlson Capital L.P. ⁽⁴⁾	1,156,941	1.25
Arrowgrass Capital Partners LLP ⁽⁵⁾	1,068,654	1.15
Allen Investment Management LLC	900,000	0.97
York Capital Management ⁽⁶⁾	724,000	0.78
Octavian Advisors, LP	710,000	0.77
TIG Advisors, LLC	682,196	0.74
Chesapeake Partners Management Co., Inc.	336,737	0.36
Total	25,370,615	27.42

(1) Davidson Kempner European Partners LLP's interest is a total return swap. It also holds a short economic interest in Dana Shares as a hedge on its long position in Dana Convertible Bonds. The letter does not relate to the short position or the long position in the Dana Convertible Bonds.

(2) Letter of intent also relates to 100 Dana Shares.

(3) Letters of intent given in respect of total return swaps by GS Master Trust, The Merger Fund and The Merger Fund VL.

(4) Also holds 100 Dana Shares.

(5) Also holds a short economic interest in Dana Shares as a hedge on its long position in Dana Convertible Bonds. The letter does not relate to the short position or the long position in the Dana Convertible Bond.

(6) York European Opportunities Master Fund, L.P. and York European Focus Master Fund, L.P. in respect of total return swaps.

The letters contain non-binding statements of intent to use reasonable endeavours (or to seek) to procure the acceptance of the Share Offer in respect of any underlying Dana Shares represented by the CFDs. Some of the letters also contain, an alternative intention, to use reasonable endeavours (or to seek) to convert the long derivative position into Dana Shares and to accept the Share Offer.

APPENDIX IV DEFINITIONS

The following definitions apply throughout this announcement unless the context requires otherwise.

“2P reserves”	proven reserves plus probable reserves
“Act” or “Companies Act”	the Companies Act 2006
“Annual Report”	the annual report and accounts of Dana for the year ended 31 December 2009
“Authorisations”	material authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions, waiver of pre-emption rights and approvals;
“bbl”	barrel of oil
“boe”	barrels of oil equivalent
“boepd”	barrels of oil equivalent per day
“Business Day”	a day (other than Saturdays, Sundays and public holidays in the UK) on which banks are open for business (other than solely for trading and settlement in Euros) in the City of London
“City Code” or “Code”	the City Code on Takeovers and Mergers
“Convertible Bond Offer”	the cash offer to be made by KNOC to acquire the Dana Convertible Bonds on the terms and subject to the conditions to be set out in the Offer Document, including, where the context requires, any subsequent revision, variation, extension or renewal of such offer
“Dana” or the “Company”	Dana Petroleum plc
“Dana Board”	the board of Directors of Dana
“Dana Convertible Bondholders”	the holders of the Dana Convertible Bonds
“Dana Convertible Bonds”	the £141,500,000 2.90 per cent. guaranteed convertible bonds due 2014 issued by Dana (Jersey) Limited on 17 July 2007 which are guaranteed by Dana
“Dana Directors”	the directors of Dana as at the date of this announcement
“Dana Group”	Dana, its subsidiaries and subsidiary undertakings
“Dana Shareholders” or “Shareholders”	the holders of Dana Shares
“Dana Shares”	the existing unconditionally allotted or issued and fully paid ordinary shares of 15 pence each in the capital of Dana and any further such ordinary shares which are unconditionally allotted or issued while the Offer remains open for acceptance or before such earlier date as KNOC (subject to the City Code) may determine, not, unless the

	Panel so permits, being earlier than the date on which the Share Offer is declared unconditional as to acceptances or, if later, the first closing date of the Share Offer
“Dana Share Schemes”	the Dana Share Incentive Plan, the Dana Annual Incentive Plan, the Dana 2006 Long-Term Incentive Plan, the Dana Share Option Scheme and the Dana Share Save Scheme, each as further described in the Annual Report
“Disclosure Rules and Transparency Rules”	the rules and regulations made by the Financial Services Authority in its capacity as the UK Listing Authority under the Financial Services and Markets Act 2000, and contained in the UK Listing Authority's publication of the same name
“Form of Acceptance”	the form of acceptance and authority to be issued in connection with the Share Offer and which will accompany the Offer Document
“FSA” or “Financial Services Authority”	the Financial Services Authority in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000
“IFRS”	International Financial Reporting Standards
“KNOC”	Korea National Oil Corporation
“KNOC Group”	means KNOC, its subsidiaries and subsidiary undertakings
“Listing Rules”	the rules and regulations made by the Financial Services Authority in its capacity as the UK Listing Authority under the Financial Services and Markets Act 2000, and contained in the UK Listing Authority's publication of the same name
“London Stock Exchange”	London Stock Exchange plc
“Offer Document”	the document to be despatched on behalf of KNOC containing the terms and conditions of the Offers and, where appropriate, any other document(s) containing terms and conditions of the Offers constituting the full terms and conditions of the Offers
“Offer Period”	the offer period (as defined by the Code) relating to Dana, which commenced on 1 July 2010
“Offers”	the Share Offer and the Convertible Bond Offer
“Official List”	the Official List of the UK Listing Authority
“Panel”	the Panel on Takeovers and Mergers
“Publicly Announced”	means fairly disclosed (i) in any public announcement by Dana in accordance with the Listing Rules and/or Disclosure Rules and Transparency Rules or (ii) in the Annual Report
“Restricted Jurisdiction”	any jurisdiction into which it would be unlawful to make the

Offers

“Share Offer”

the cash offer to be made by KNOC to acquire the whole of the issued and to be issued share capital of Dana not otherwise held by KNOC on the terms and subject to the conditions to be set out in the Offer Document and the Form of Acceptance, including, where the context requires, any subsequent revision, variation, extension or renewal of such offer

“Third Party”

any central bank, ministry, governmental, quasi-governmental (including the European Union), supranational, statutory, regulatory or investigative body or authority (including any national or supranational anti-trust or merger control authority), national, state, municipal or local government (including any subdivision, court, administrative agency or commission or other authority thereof), private body exercising any regulatory, taxing, importing or other authority, trade agency, association, institution or professional or environmental body or any other person or body whatsoever in any relevant jurisdiction, including for the avoidance of doubt the Panel

“UKLA”

the UK Listing Authority, being the Financial Services Authority Limited acting in its capacity as the competent authority for the purposes of Part IV of the Financial Services and Markets Act 2000

“United Kingdom” or “UK”

the United Kingdom of Great Britain and Northern Ireland

“United States” or “US”

the United States of America, its territories and possessions, any State of the United States of America and the District of Columbia

“Wider Dana Group”

Dana, its subsidiaries, subsidiary undertakings and associated undertakings and any other body corporate, partnership, joint venture or person in which Dana and such undertakings (aggregating their interests) have a direct or indirect interest of 20 per cent. or more of the voting or equity capital or the equivalent

“Wider KNOC Group”

KNOC, its subsidiaries, subsidiary undertakings and associated undertakings and any other body corporate, partnership, joint venture or person in which Dana and such undertakings (aggregating their interests) have a direct or indirect interest of 20 per cent. or more of the voting or equity capital or the equivalent

For the purposes of this announcement, **“subsidiary”**, **“subsidiary undertaking”**, **“undertaking”** and **“associated undertaking”** have the respective meanings given thereto by the Act.

All references to **“pounds”**, **“pounds Sterling”**, **“Sterling”**, **“£”**, **“pence”**, **“penny”** and **“p”** are to the lawful currency of the United Kingdom.

All references to “**Euros**”, “**EUR**” and “**€**” are to the lawful currency of the member states of the European Union that adopt a single currency in accordance with the Treaty establishing the European Community as amended by the Treaty on the European Union.

All references to “**US\$**”, “**\$**” and “**US Dollars**” are to the lawful currency of the United States.

All the times referred to in this announcement are London times unless otherwise stated.

References to the singular include the plural and vice versa.