

From: Arrowgrass Capital Partners LLP
Tower 42
25 Old Broad Street
London EC2N 1HQ

To: Korea National Oil Corporation
1588-14, Gwanyang-dong, Dongan-gu, Anyang-si,
Gyeonggi-do, Korea, 431-711

19 August 2010

Dear Sirs

Offer for Dana Petroleum plc ("Dana")

We refer to the proposed offer for Dana at an offer price of £18 per Dana share.

We hold long economic interests in ordinary shares in Dana through the following securities:

Class of relevant security:	15p Ord			
	Interests		Short positions	
	Number	%	Number	%
(1) Relevant securities owned and/or controlled:				
(2) Derivatives (other than options):	1,068,654	1.15%	1,521,574	1.64%
(3) Options and agreements to purchase/sell:				
TOTAL:	1,068,654	1.15%	1,521,574	1.64%

Class of relevant security:	Convertible Bonds			
	Interests		Short positions	
	Number	%	Number	%
(1) Relevant securities owned and/or controlled	31,200,000	22.05%		
(2) Derivatives (other than options):				
(3) Options and agreements to purchase/sell:				
TOTAL:				

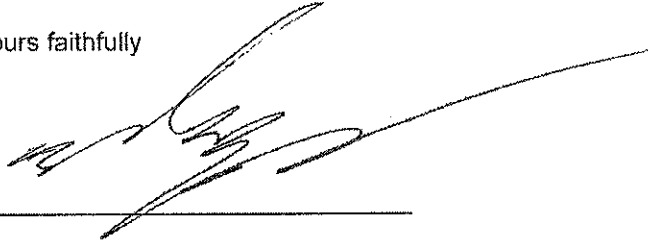
We confirm that we are supportive of the proposed offer at £18 per Dana share and confirm that it is our current intention use reasonable efforts to seek to (i) to request the acceptance of the offer in respect of any underlying shares represented by the above long derivative position or (ii) if currently convertible, to convert the above long derivative position into Dana shares and to request the acceptance of the offer in respect of such shares.

The above statement of intent is not legally binding and does not constitute an irrevocable undertaking. We acknowledge that the disclosure obligations of Rule 2.11(d) apply to this letter and that any Rule 8 disclosures by us will need to make clear the impact of any dealing on the above statement.

For the avoidance of doubt, nothing in this letter shall restrict us or prohibit us from closing out or otherwise selling or disposing of any interest in Dana including to any competing offer that may be announced in respect of Dana; provided that if we do close out of any such interests, we will promptly notify you and the Panel on Takeovers and Mergers of the position.

We consent: to the announcement of the Offer containing references to us and the contents of this letter; to particulars of this letter being set out in the formal document containing the Offer; and to this letter being available for inspection during all or part of the period for which the Offer remains open for acceptance.

Yours faithfully



ALAN LYONS

For and on behalf of

ARROWGRASS CAPITAL PARTNERS LLP