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22 September 2010

**FINAL\* CASH OFFER**

**for**

**Dana Petroleum plc (“Dana” or “the Company”)**

**by**

**Korea National Oil Corporation (“KNOC”)**

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**UPDATE ON LETTER OF INTENT**

KNOC has been notified by Allen Investment Management LLC that, further to the letter of intent provided by it to KNOC on 19 August 2010 in respect of a long economic interest in 900,000 Dana Shares, it no longer holds a long economic interest in Dana Shares and is no longer able to comply with the terms of the letter of intent in respect of the long position of 900,000 Dana Shares.

*\*KNOC’s Share Offer of 1,800 pence per Dana Share is full and final and will not be increased save that KNOC reserves its right to increase the Share Offer if a competitive situation arises (including if a third party announces an offer or possible offer for Dana).*

*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 will not be responsible to anyone other than KNOC for providing the protections afforded to clients of Bank of America Merrill Lynch 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 are being made solely by means of the Offer Document and the Form of Acceptance accompanying the Offer Document, which contains 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 are not being 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 are not 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.*

***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 Securities Exchange Act of 1934 (the “**Exchange Act**”) and Regulation 14E thereunder. The Offers are being 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 complies 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. Any such purchases, or arrangements to purchase, will be made outside the United States and in compliance with applicable law, including the Exchange Act. Any information about such purchases will be disclosed as required in the United Kingdom and the United States.*

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

***Publication on Website***

*A copy of this announcement will be made available, free of charge, at [www.knoc.co.kr/ENG/include/ma\\_pop.jsp](http://www.knoc.co.kr/ENG/include/ma_pop.jsp) by no later than 12 noon (London time) on 23 September 2010.*