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24 September 2010

FINAL CASH OFFER

for

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

by

Korea National Oil Corporation (“KNOC”)

**OFFERS DECLARED WHOLLY
UNCONDITIONAL**

On 20 August 2010, KNOC announced the terms of a cash offer of 1,800 pence per Dana Share to acquire the entire issued and to be issued ordinary share capital of Dana. On 20 August 2010, KNOC also announced the terms of a cash offer to acquire the Dana Convertible Bonds.

The full terms of the Offers are set out in an offer document issued by KNOC and posted to Dana Shareholders on 25 August 2010 (the “**Offer Document**”).

As at 1.00 p.m. (London time) on 23 September 2010, KNOC either owned or had received valid acceptances of the Share Offer which it may count towards the satisfaction of the Acceptance Condition to the Share Offer in respect of a total of 59,468,291 Dana Shares representing, in aggregate, approximately 64.26 per cent. of the existing issued share capital of Dana.

KNOC is today waiving the 90 per cent. Acceptance Condition set out in paragraph 1 of Part A of Appendix 1 to the Offer Document and is treating the same as satisfied. KNOC is therefore pleased to announce that the Share Offer has become unconditional as to acceptances.

KNOC further announces that all of the Conditions of the Share Offer set out in Part A of Appendix I to the Offer Document have now been satisfied or waived and, accordingly, the Share Offer is now declared wholly unconditional.

Level of acceptances

As at 1.00 p.m. (London time) on 23 September 2010, being the first closing date of the Share Offer, KNOC had received valid acceptances from Dana Shareholders in respect of 32,170,337 Dana Shares representing approximately 34.76 per cent. of the existing issued share capital of Dana.

The total acceptances include acceptances from, or procured by, the providers of letters of intent in respect of 13,381,153 Dana Shares (or long economic positions in respect of such Dana Shares) (representing 14.46 per cent. of the existing issued share capital of Dana) which were the subject of the letters of intent disclosed in the Offer Document and additional interests in Dana Shares held by such providers of letters of intent⁽¹⁾.

⁽¹⁾In respect of acceptances procured by the providers of letters of intent who hold long economic positions in Dana Shares, KNOC has been informed by such holders that they have sought to procure acceptance of the Share Offer before the First Closing Date in respect of any underlying Dana Shares represented by the long economic position covered by their letter of intent.

The total acceptances do not include acceptances from, or procured by, Davidson Kempner European Partners LLP, Halcyon Master Fund LP and Octavian Advisors, LLC, who gave letters of intent that remain valid with respect to long economic positions in respect of 856,140, 1,276,537 and 710,000 Dana Shares respectively, representing, in aggregate, 3.07 per cent. of the existing issued share capital of Dana.

KNOC has also received valid acceptances to the Convertible Bond Offer from Dana Convertible Bondholders in respect of £113,163,000 principal amount of Dana Convertible Bonds representing approximately 79.97 per cent. of the principal amount of £141,500,000 Convertible Bonds issued.

Other interests

As at 1.00 p.m. (London time) on 23 September 2010, KNOC or any person acting in concert with it had interests in or rights to subscribe for Dana relevant securities as follows:

Name	Nature of interest	Number of Dana Shares	Percentage of Dana existing issued share capital
KNOC	15p Ordinary Shares	27,297,954	29.50

Save as disclosed in either this announcement or in the Offer Document, none of KNOC nor any person acting in concert with KNOC is interested in or has any rights to subscribe for any Dana Shares nor has any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative or any arrangements in relation to Dana Shares. For these purposes, “arrangement” means any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery of Dana Shares and any borrowing or lending of Dana Shares which have not been on-lent or sold and any outstanding letter of intent with respect to Dana Shares.

Extension of the Share Offer

The Share Offer is extended to and will remain open for acceptance until further notice and at least 14 days’ notice will be given by announcement before the Share Offer is closed.

Dana Shareholders who have not yet accepted the Share Offer are urged to do so immediately.

Cancellation of admission to trading on the London Stock Exchange

As set out in the Offer Document, if sufficient acceptances of 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. Further information on the consequences of such cancellation on the Dana Shares is set out in paragraph 12 of Part I of the Offer Document.

Compulsory acquisition

Further, as set out in the Offer Document, 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 Companies 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.

Settlement

Settlement of consideration to which any accepting Dana Shareholder, Dana Convertible Bondholder or their designated agent is entitled under the Share Offer or the Convertible Bond Offer will be despatched in the manner set out below:

- in the case of acceptances which have been received and are complete in all respects as at 1.00 p.m. on 23 September 2010, on or before 7 October 2010; or
- in the case of acceptances received complete in all respects after 1.00 p.m. on 23 September 2010 but while the Share Offer or the Convertible Bond Offer, as applicable, remains open for acceptance, within 14 calendar days of such receipt.

Extension of the Convertible Bond Offer

KNOC further announces that the Convertible Bond Offer is now declared wholly unconditional, and is being extended and will remain open until further notice and at least 14 days' notice will be given by announcement before the Convertible Bond Offer is closed. As the Share Offer has been declared wholly unconditional prior to 17 November 2010, the Convertible Bond Offer is being made on the basis of £141,509.43 in cash for each £100,000 principal amount of Dana Convertible Bonds.

Further acceptance of the Share Offer and the Convertible Bond Offer

The procedure for acceptance of the Offers is set out on page 6 and in paragraphs 15 and 16 of Part I of the Offer Document.

To accept the Share Offer in respect of Dana Shares held in certificated form, the Form of Acceptance should be completed, signed, witnessed and returned (together with the share certificate(s) and any other documents of title) as soon as possible to Computershare by post at Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours) to Computershare at The Pavilions, Bridgwater Road, Bristol BS13 8AE. Acceptances in respect of Dana Shares held in uncertificated form should be made electronically through CREST. CREST-sponsored members should note that only CREST sponsors will be able to send the necessary TTE Instruction to Euroclear. If you require assistance relating to the Share Offer, please telephone Computershare on 0870 707 1887, if calling from the UK, or, if calling from outside the UK, +44 870 707 1887.

The Helpline is available between 8.30 a.m. and 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the 0870 number cost up to 10 pence per minute (including VAT) plus your service provider's network extras. Calls to the Helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Please note that Computershare cannot provide any advice on the merits of the Offers or provide any financial, legal or tax advice, or provide any assistance in relation to the Convertible Bond Offer.

Dana Convertible Bondholders wishing to accept the Convertible Bond Offer must submit, or arrange to have submitted on their behalf, before the deadlines set by each Clearing System, a duly completed Electronic Instruction Notice to the relevant Clearing System in accordance with the requirements of the relevant Clearing System in accordance with the requirements specified in the Offer Document and in the Electronic Instruction Notice. If you require assistance relating to the Convertible Bond Offer, please telephone BNP Paribas on +352 26 96 20 00. BNP Paribas cannot provide advice on the merits of the Offers or provide any financial, legal or tax advice, or provide any assistance in relation to the Share Offer.

General information

Terms defined in the Offer Document have the same meaning when used in this announcement.

Copies of the Offer Document (and/or any information incorporated into the Offer Document by reference to another source) may be requested by contacting Computershare at Corporate Actions Projects, Bristol BS99 6AH or on 0870 707 1887, if calling from the UK, or, if calling from outside the UK, +44 870 707 1887, or (if you are a Dana Convertible Bondholder) by contacting BNP Paribas Securities Services, Luxembourg Branch at Corporate Trust Services, 33, Rue de Gasperich, Hesperange L-5826 Luxembourg or on +352 26 96 20 00.

The Offer Document and the Form of Acceptance are available for inspection during usual business hours on any Business Day at the offices of Linklaters LLP, One Silk Street, London EC2Y 8HQ until the end of the offer. A copy of the Offer Document is also available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on KNOC's website at www.knoc.co.kr/ENG/include/ma_pop.jsp until the end of the offer.

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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 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 by no later than 12 noon (London time) on 27 September 2010.