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11 October 2010

FINAL CASH OFFER

for

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

by

Korea National Oil Corporation (“KNOC”)

**UPDATE RE. ACCEPTANCES OF THE
OFFERS**

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**”).

KNOC is today updating the market on the level of acceptances received pursuant to the Offers.

As at close of business (London time) on 8 October 2010:

- KNOC either owned or had received valid acceptances of the Share Offer in respect of a total of 84,033,654 Dana Shares representing, in aggregate, approximately 89.17 per cent. of the issued share capital of Dana; and
- KNOC had acquired or received acceptances of the Convertible Bond Offer in respect of £141,270,000 principal amount of Dana Convertible Bonds, representing 99.84 per cent. of the total principal amount outstanding of Dana Convertible Bonds.

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

Further acceptance of the Share Offer and the Convertible Bond Offer

The Share Offer 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.

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.

The Convertible Bond Offer 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.

In accordance with the Terms and Conditions (the “**Conditions**”) set out in the Offering Circular in relation to the Dana Convertible Bonds dated 12 July 2007 and following KNOC’s announcement that the Offers had become unconditional in all respects on 24 September 2010, on 4 October 2010 Dana gave notice to Dana Convertible Bondholders that a Relevant Event (as defined in the Conditions) had occurred.

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 Offers.

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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 12 October 2010.