



Dana Gas announces termination of agreement for sale of its Egyptian assets

Sharjah, UAE; 25 April 2021: Dana Gas PJSC (the “Company”), the Middle East’s largest private sector natural gas company, today announced the termination of its agreement for the sale of its Egyptian assets, announced on 25th October 2020.

A number of conditions precedent to the transaction could not be completed to the satisfaction of both parties prior to the long stop date of the Sale and Purchase Agreement (SPA), which was Wednesday 14th April 2021. The Board has therefore decided to retain and operate the assets in Egypt alongside the highly prospective exploration acreage offshore Block 6.

As per ADX disclosure requirements, the Company is required to disclose the financial impact of this termination. While the Company is still assessing these in detail, it is expected that there will be positive consequences on the Company’s profitability and balance sheet and improvement in its cash flow in the coming years. These beneficial consequences result from the changed circumstances in the global economy and energy markets.

Dr. Patrick Allman-Ward, CEO, Dana Gas, commented:

“Dana Gas has worked diligently to finalise this transaction. However, satisfaction of the conditions precedent in the SPA proved problematic between the parties. Once the due date for satisfaction of those conditions expired, and after due consideration, the Company resolved to exercise the right to terminate the SPA in accordance with its terms.

“We have an excellent track record of operating in Egypt over the past 14 years. We remain fully committed to managing these assets for the benefit of all our stakeholders, including the Egyptian Government. We look forward to maximizing the value of both our onshore producing assets and focussing our attention on testing the enormous potential of our offshore Block 6 Concession Area where we are planning to drill an exploration well Q1 2023.”

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About Dana Gas

Dana Gas is the Middle East's first and largest regional private sector natural gas Company established in December 2005 with a public listing on the Abu Dhabi Securities Exchange (ADX). It has exploration and production assets in Egypt, Kurdistan Region of Iraq (KRI) and UAE, with 2P reserves exceeding one billion boe and average production of 63,200 boepd in 2020. With sizeable assets in Egypt, KRI and the UAE, and further plans for expansion, Dana Gas is playing an important role in the rapidly growing natural gas sector of the Middle East, North Africa and South Asia (MENASA) region. Visit: www.danagas.com

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