2014 Full-Year Results

17 February 2015

Forward Looking Statements

This presentation contains statements that constitute "forward-looking statements". Forward-looking statements appear in a number of places in this presentation and include statements regarding Dragon Oil plc's (the "Company" or together with its subsidiaries "Dragon Oil" or the "Group") intent, belief or current expectations with respect to its results of operations and financial condition. These statements reflect the Company's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this presentation as anticipated, believed, estimated, expected or intended.

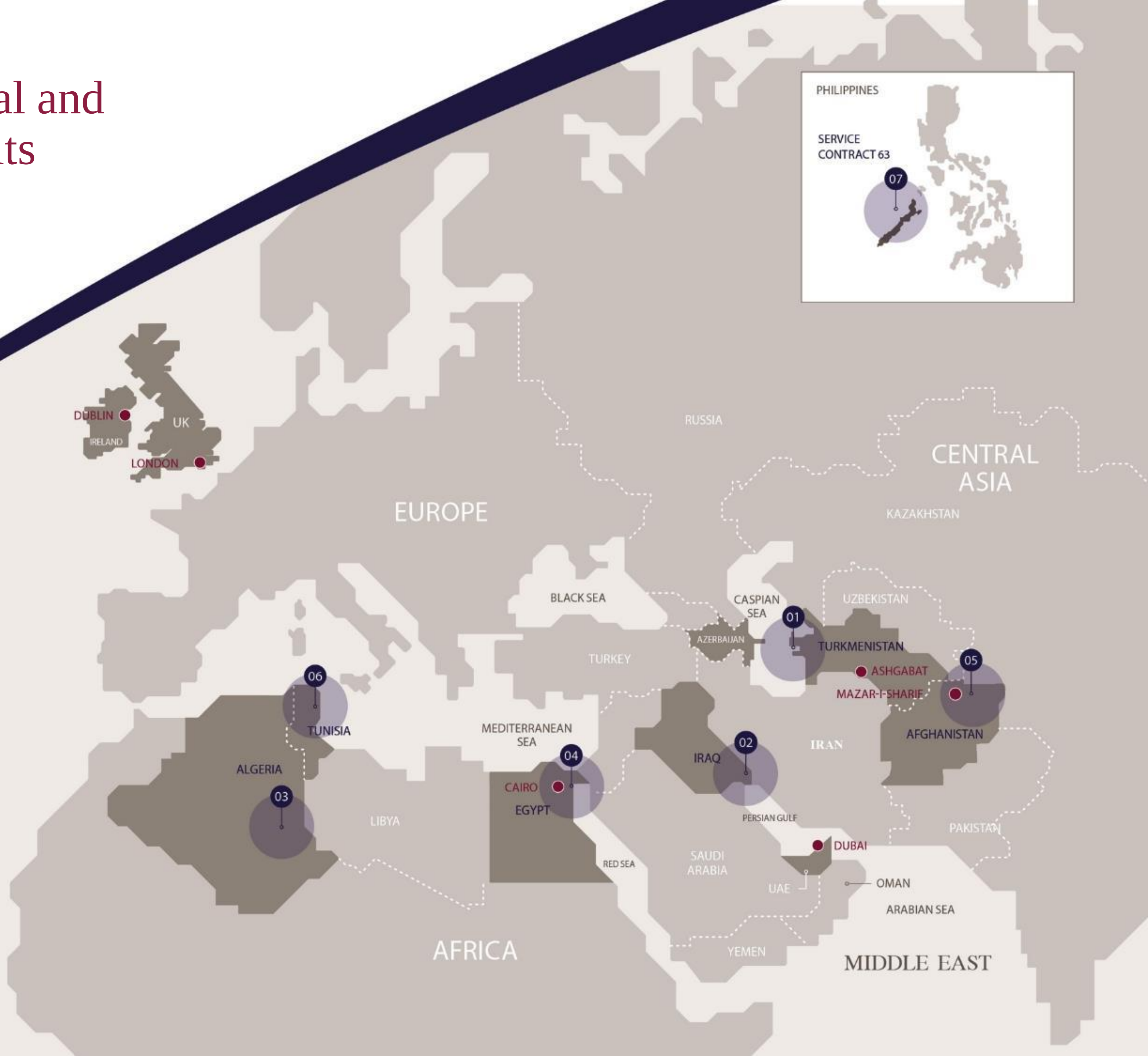
By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. The Group is under no obligation, and disclaims any obligation, to update or alter the forward-looking statements included in this presentation, whether as a result of new information, future events or otherwise after the date of this presentation.

The updated field development plans as well as infrastructure and drilling projects are subject to approval by the Turkmenistan Government.

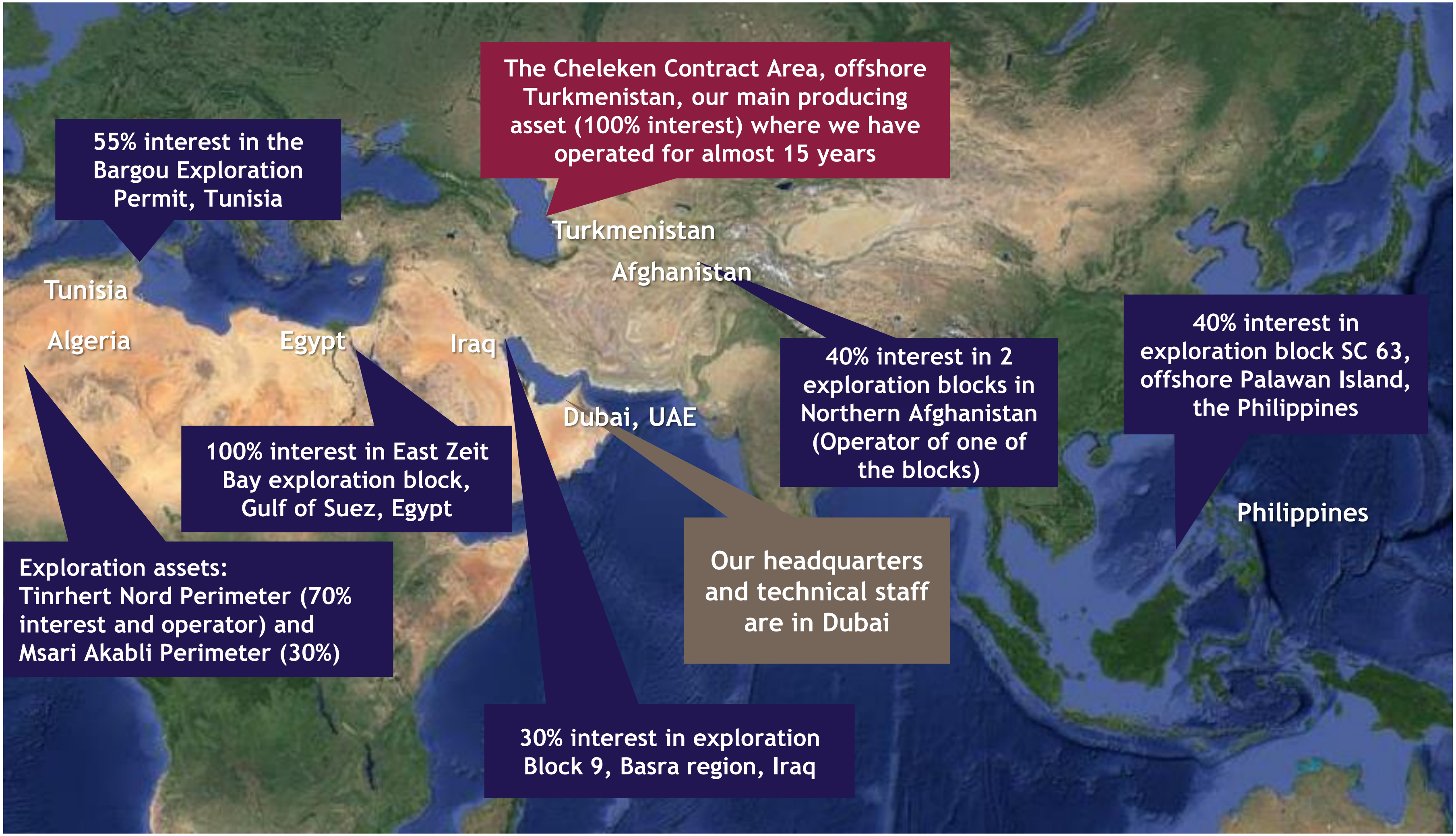
2014 Operational and Corporate Results

Dr Abdul Jaleel
Al Khalifa, CEO

- Our production & exploration sites
- Our offices



Dragon Oil today



2014 Key Highlights

- Strong operational and financial results
- Organic reserves replacement for a fifth consecutive year
- Two oil discoveries in Iraq
- Diversification continues:
  - Two onshore perimeters in Algeria added
- Marketing arrangements through two routes with an improved discount
- Strong balance sheet with no debt
- Value returned to shareholders through regular dividends

2014 Gross Production Growth

- 6.8% growth in 2014 to 78,790 bopd from 73,750 bopd in 2013

AVERAGE DECEMBER GROSS PRODUCTION

89,680 bopd

DECEMBER 2014 EXIT RATE

92,008 bopd

The Caspian Driller jack-up rig.

The Dzheitune (Lam) C offshore platform.

Drilling Results – Cheleken Contract Area

- 2014: 14 development and appraisal wells completed; very strong 2H 2014
- 2015: two wells are being completed

Well	Rig	Completion date	Depth (metres)	Type	Initial test rate (bopd)
Lam B/155A	Elima	February	2,447	Development	1,027
Lam 4A/187	Elima	April	1,668	Appraisal	To be sidetracked
Lam B/148A	Elima	May	1,875	Development	1,300
Zhdanov 21/101	Neptune	June	3,447	Appraisal	425
Lam 22/188	Land Rig 1	July	3,276	Development	To be sidetracked
Lam A/189	Elima	July	1,822	Development	1,987
Lam A/190	Elima	August	1,904	Development	1,704
Lam C/191	Neptune	September	2,440	Development	1,510
Lam 28/192	Elima	September	2,283	Development	2,632
Lam 28/193	Elima	September	2,220	Development	1,961
Lam C/195	Neptune	November	2,421	Development	2,002
Lam 28/196	Elima	November	2,100	Development	1,952
Lam 22/194	Land Rig 1	December	3,252	Development	Pending jet pump application
Lam C/197	Elima	December	1,943	Development	1,600
Zhd A/102	Land Rig 2	January 2015	3,745	Appraisal	Being completed
Lam C/198	Neptune	January 2015	2,540	Development	Being completed

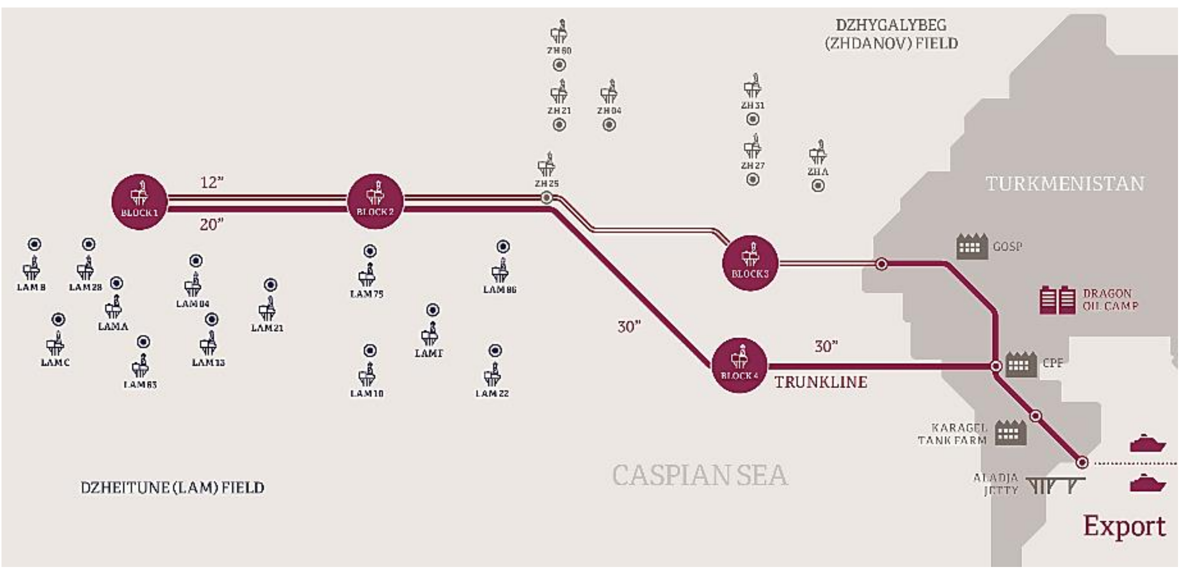
Reservoir work in the Dzhygalybeg (Zhdanov) field

- State-of-the-art technology is used to drill and evaluate wells
- ULTRADRIL high performance water-based mud system used
  - results in improved wellbore stability, among other benefits
- Echoscope is used on LWD (logging while drilling) to give a mineralogy log

The Dzhygalybeg (Zhdanov) offshore platform.

Reserves and Resources

	AS AT 31 DECEMBER 2014		AS AT 31 DECEMBER 2013	
Proved and Probable Remaining Recoverable Reserves	Oil and Condensate million barrels	Gas TCF	Oil and Condensate million barrels	Gas TCF
Gross field reserves to 1st May 2035	663	1.3	675	1.4
2C Resources				
Gross oil and condensate contingent resources	93	-	69	-
Gross gas contingent resources	-	1.3	-	1.3
Iraq: Net to Dragon Oil on a working interest basis (Mishrif formation)	198	0.056	-	-



60% REPLACEMENT OF OIL RESERVES AGAINST 2014 GROSS PRODUCTION IN THE CHELEKEN CONTRACT AREA

Infrastructure Highlights

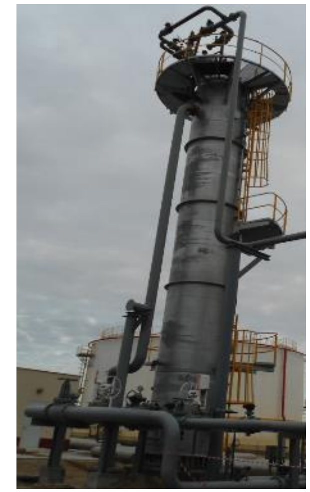
- Fabrication of Dzheitune (Lam) E platform and associated pipelines commenced
- Dzheitune (Lam) F platform in the central part of the Dzheitune (Lam) field substantially completed
- Quadrupling of our crude oil storage capacity at the Central Processing Facility is progressing
- Additional equipment installed to increase the capacity of the Central Processing Facility to handle 100,000 bopd and 150 mmscf of gas per day
- Structural strengthening and slot addition works at a number of platforms continue

Construction of an offshore platform.

Crude oil storage tanks.

Engineering Work at the Central Processing Facility

- Additional equipment installed that enables us to operate the CPF to process above 90,000 bopd and minimized water content in crude oil
- Addition of the another heater treater will allow to process slightly above 100,000 bopd in the near future
- We have effectively utilized in-house resources to perform everything from design and procurement to installation and commissioning of the following projects:
  - new design welded type preheat exchanger with a larger gap between plates was designed and installed in one of the heater treaters eliminating wax blockages between plates and enhancing separation of water from oil
  - plans to install the same type preheat exchanger in three more heater treaters
  - four bath heaters installed to reduce water content further
  - new degasing boot installed reducing liquid handling, thus ensuring stabilised crude oil during storage



Preheat exchanger and degasing boot.

Water bath heater.

Rigs Deployment in 2015

	Status
Jack-up rig Elima	Contracted until May 2016
Jack-up rig Neptune	Contracted until Mercury is ready to replace Neptune
Caspian Driller jack-up rig	Five-year initial contract + a two-year optional extension
Land Rig No2	Contracted for two years + one-year option

Secondary Oil Recovery: Artificial Lift

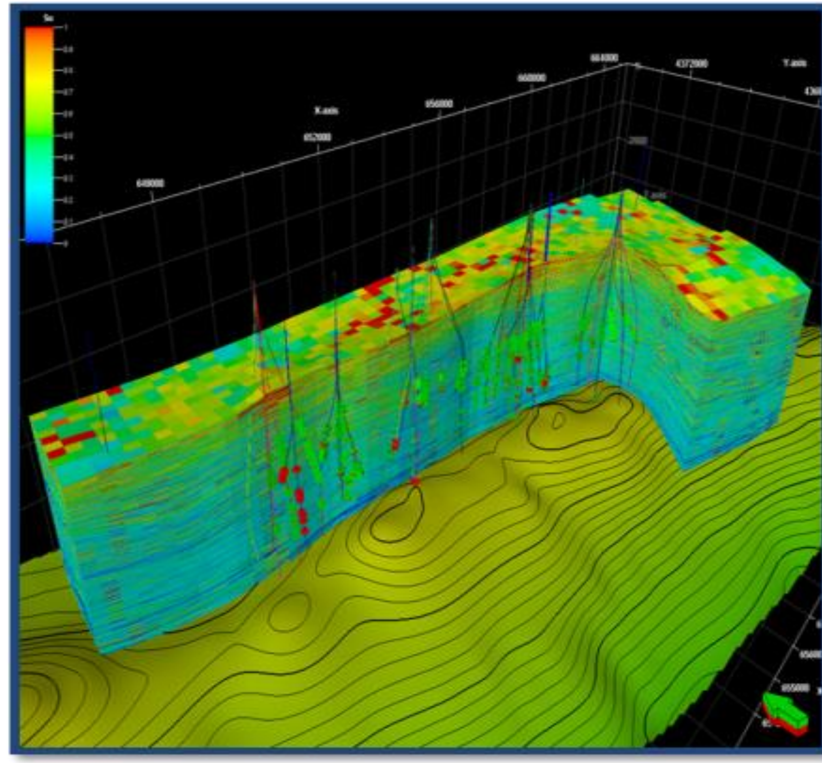
Dragon Oil

- Objective is to increase production and enhance recovery
- Artificial lift application commenced in June 2013 with installation in two wells
- Jet pumps installed in two more wells in 2014
- Plans to expand artificial lift in 12 more wells in 2015
- Plans to introduce the use of electric submersible pumps (ESP)

Dragon Oil team with a jet pump on a slickline.

Secondary Oil Recovery: Water Flood

- Objective is to increase reserves, increase production rate and extend plateau
- Pilot water injection project ongoing at the Dzheitune (Lam) 75 area
- Plans to expand to other platforms in 2015
- Wider scale implementation in the future



Reservoir modelling.

Tendering to select a contractor for EPIC of the Gas Treatment Plant ongoing with award expected in due course

Strip condensate for sale and target long-term gas sales agreement or other alternatives

2015

2015-18

CONSTRUCTION OF THE GAS TREATMENT PLANT

Central Processing Facility.

Central Processing Facility.

Marketing of crude oil

- Diversification achieved: one-year agreement with two buyers for all anticipated entitlement export production in 2015
- FOB (free-on-board) the Aladja Jetty, Turkmenistan exporting via Baku, Azerbaijan and Makhachkala, Russia
- Expected discount to Brent of approximately US$14 per barrel

Exploration Assets Summary

ASSET	LOCATION, AREA	DRAGON OIL'S INTEREST	PROGRESS IN 2014	NUMBER OF EXPLORATION / APPRAISAL WELLS
Block 9	• onshore Iraq • 866km^2	**30%**	• Two oil discoveries in both targets, Mishrif and Yamama formations, leading to recognition of contingent 2C oil and gas for the Mishrif formation	2
Tinrhert Nord Perimeter	• onshore Algeria • 2,907 km^2	**70% and operator**	• Contract signed on 29 October 2014	4
Msari Akabli Perimeter	• onshore Algeria • 8,096 km^2	**30%**	• Contract signed on 29 October 2014	3
East Zeit Bay	• offshore Egypt • 93km^2 • water depths of 10 to 40m	**100%**	• Contract signed on 19 May 2014 • Hired a country manager and set up office in Cairo	2

Exploration Assets Summary (cont.)

ASSET	LOCATION, AREA	DRAGON OIL'S INTEREST	PROGRESS IN 2014	NUMBER OF EXPLORATION / APPRAISAL WELLS
Sanduqli	• onshore Afghanistan • 2,583km^2	**40% and operator**	• Contract awarded for airborne gravity and magnetic survey • Survey commenced	2
Mazar-i-Sharif	• onshore Afghanistan • 2,715km^2	**40%**	• Contract awarded for airborne gravity and magnetic survey • Survey commenced	2
The Bargou Exploration Permit	• offshore Tunisia • 4,616km^2 • water depths of 50 to 100m	**55%**	• Appraisal drilling rescheduled at Hammamet West until 2016	1
Service Contract 63	• offshore the Philippines • 10,560km^2 • shallow water depths of 50m	**40% to 50%**	• Baragatan-1 exploration well did not discover hydrocarbons • Reviewing data and assessing future interest in the block	0

Exploration Assets

IRAQ

BLOCK 9
30%
866km²
Onshore in Basra province

- Consortium of Kuwait Energy (70% and operator) and Dragon Oil (30%)
- First oil discovery in the Mishrif formation in the Faihaa-1 exploration well at 2,700 meters with flow rates of c. 2,000 bopd and 3,400 bopd of 20° API oil on 32"/64" and 64"/64" chokes, respectively
- Second oil discovery in the Yamama formation in the Faihaa-1 exploration well at 4,000 meters with flow rates of c. 5,000 bopd and 8,000 bopd of 35° API crude oil on 32"/64" and 64"/64" chokes, respectively
- Contingent 2C oil resources of 198 million barrels and contingent 2C gas resources of 56 Bscf net to Dragon Oil on a working interest basis for the Mishrif formation
- Two appraisal wells in 2015 planned to fast track the development

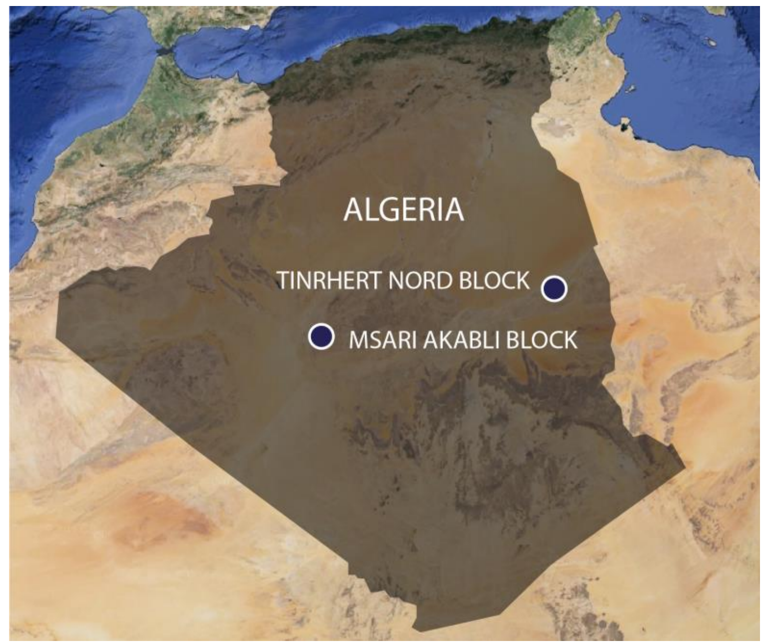
Exploration Assets (cont.)

- Contract for the exploration and exploitation of hydrocarbons signed on 29 October 2014
- In partnership with ENEL Trade S.p.A. (“Enel”)
- For Tinrhert Nord Perimeter: commitment during the exploration period includes acquisition and interpretation of 2D seismic data and drilling four wells
- For Msari Akabli Perimeter: commitment during the exploration period includes acquisition and interpretation of 3D seismic data and drilling three wells

ALGERIA

TINRHERT NORD PERIMETER
Operator, 70% paying interest
34.3% participating interest in the development and production period
2,907km^2
Onshore Illizi Basin

MSARI AKABLI PERIMETER
30% paying interest
14.7% participating interest in the development and production period
8,096km^2
Onshore Ahnet Basin



Investment in People and Health & Safety

Our talent

- c. 1,900 professionals
- 93% of workforce in Turkmenistan are local people
- 475 people joined in 2014
- 98% retention rate across the Group

Training and development

- In-house and external training programmes
- Partnerships with educational institutes in the region
- More employees have enrolled to receive assistance with higher education tuition fees

Health and safety

- The Group continued to operate without fatalities or major accidents
- Significant increase in the number of HSE-focused training courses
- LTIF improved further to 0.60

Annual commitment

- Allocation of approximately US$10mn annually for
  - jointly identified social projects and
  - training programmes

School, Hazar, Turkmenistan.

2014 Financial Results

Tarun Ohri,

Director of Finance

2014 Financial Highlights

Revenue

US$1.1bn

- Production growth
- Lower realised oil prices

Net Profit

US$650.5mn

- Final dividend of 16 US cents per share for 2014
- 2014 full-year dividend amounts to 36 US cents per share

Cash Balance

US$2.0bn

- Self-financing of development & exploration expenditure
- No debt
- Diversification opportunities
- Dividends

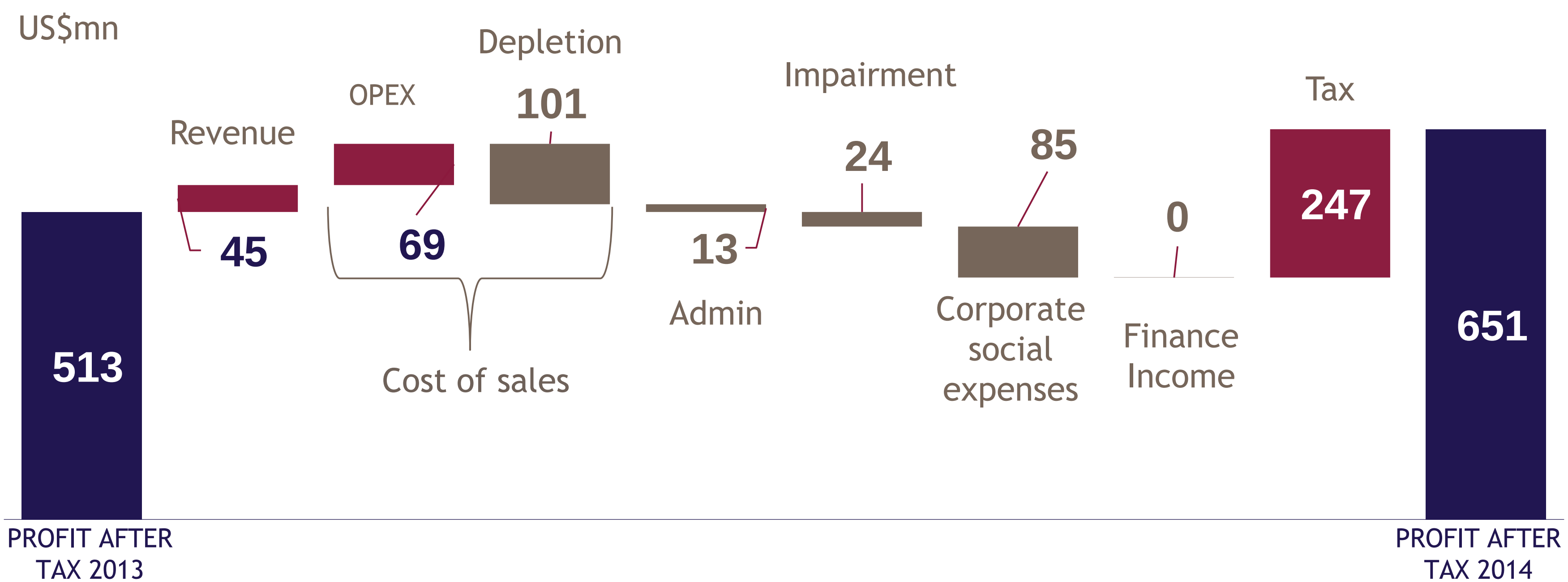
2014 Financial Highlights

- Strong balance sheet allows us to
  - Continue with the development of the Cheleken Contract Area
  - Appraise Iraqi discovery and progress other exploration assets
  - Pay regular dividends
  - Maintain an unleveraged position

US$mn	2014	2013	CHANGE
Revenue	1,093.1	1,047.9	4%
Operating profit	578.6	687.7	-16%
Net profit	650.5	512.6	27%
Basic earnings per share (US cents)	132.32	104.44	27%
Dividend per share (US cents)	36.0	33.0	9%
Capital employed	3,708.2	3,239.5	14%
Net cash from operating activities	821.8	652.2	26%
Net cash used in investing activities	(627)	(763.5)	-18%
Cash balance (excl. A&D)	1,974.9	1,923.6	3%
Debt	nil	nil	-

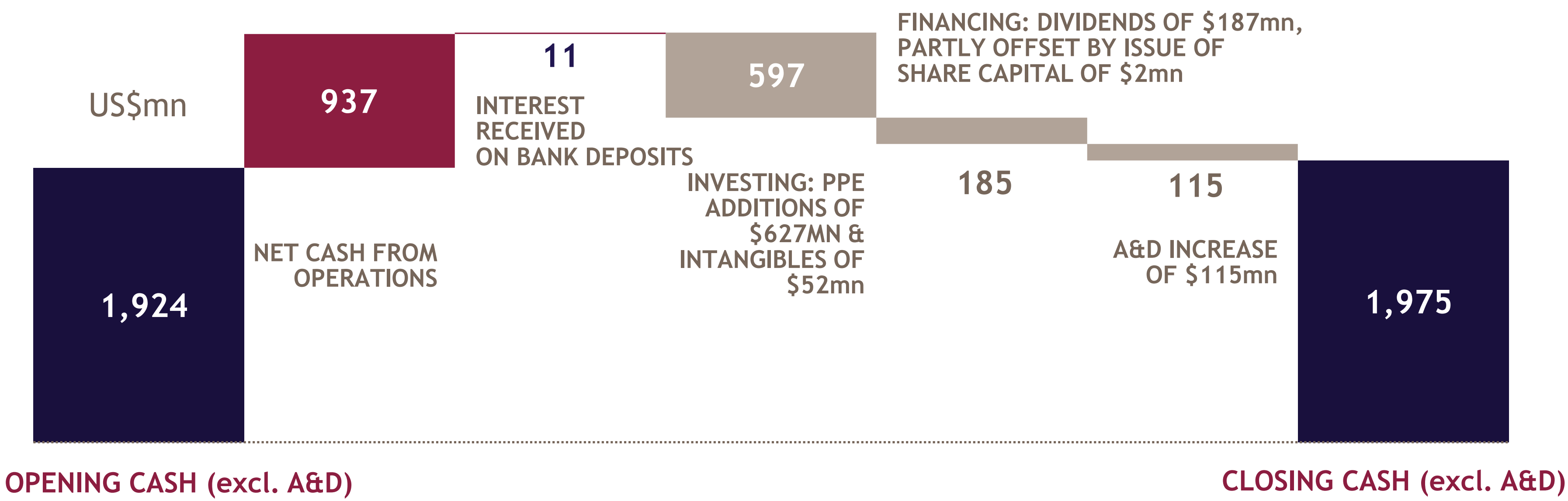
2014 Income statement

- **Revenue:** Increase attributable to an 17% increase in the volume of crude oil sold despite a 11% decrease in the average realised crude oil price during the year
- **Cost of sales:** Increase of 10% primarily due to the increased depletion charge and higher field operating costs, offset by the movement in the lifting position.
- **Admin expenses:** Higher by 34% primarily due to increase in corporate costs
- **Finance income:** Remained similar to that of the prior year despite higher cash balance maintained during the year on account of lower interest yields
- **Tax:** Reversal of excess provision for prior years as a result of reduction in tax rate

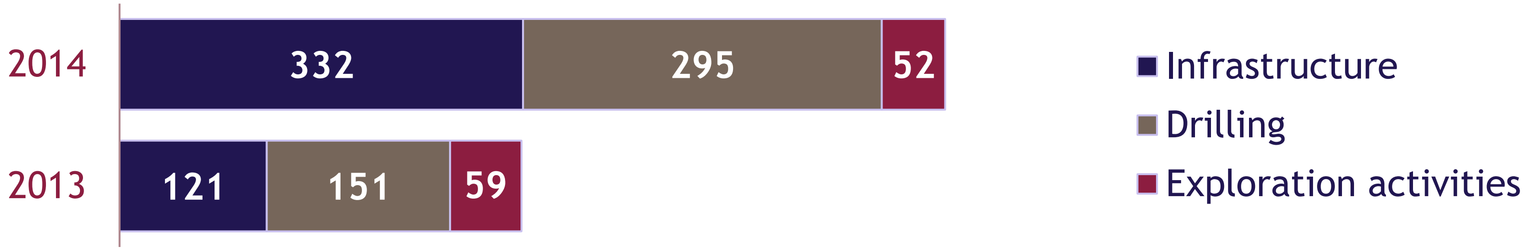


Cash flow

- Cash and term deposits total US$1,975mn as at 2014 year-end and include:
  - Term deposits of less than three months of US$39mn
  - Term deposits of more than three months of US$1,936mn
- Abandonment and decommissioning fund total US$664mn
- Net cash from operations higher by 26%
- Total capital expenditure in 2014 was US$679mn and US$597mn cash outflow after movement in payables including additions to intangible assets
- Cash maintained with international and UAE banks



2014 Capital Expenditure



- Drilling (44%)
    - 14 development and appraisal wells, including two sidetracks, completed
- Infrastructure (49%)
    - Relocation of Dzheitune (Lam) F platform
    - Construction of the tank farm
    - Additional slots on a number of platforms
- Exploration (7%)
    - Iraq
    - Tunisia
    - Egypt
    - Afghanistan
    - The Philippines
    - Algeria

Construction of offshore platforms at the harbour area.

Outlook

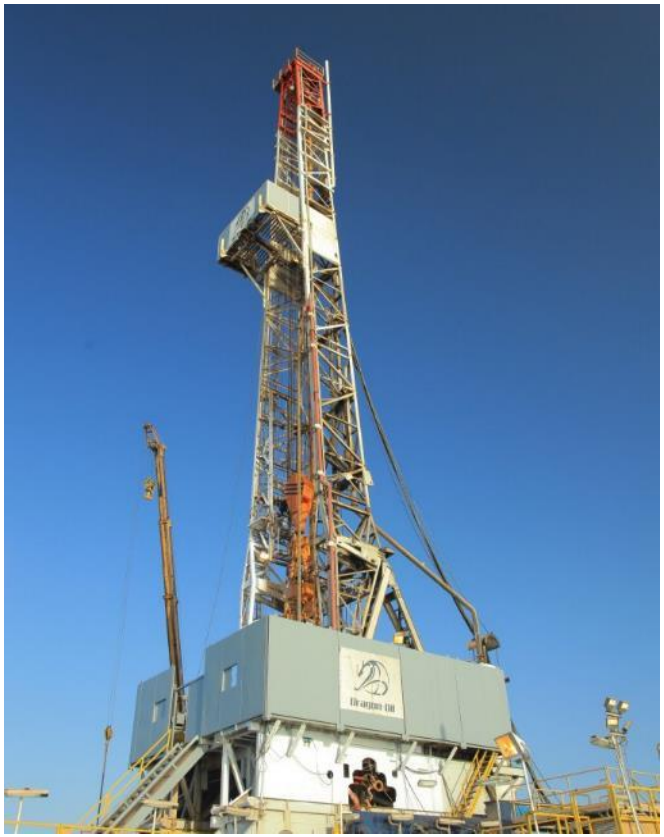
Dr Abdul Jaleel
Al Khalifa, CEO

Production

- Target annual production growth of around 10% in 2015 and exit 2015 at 100,000 bopd
- Grow gross production in 2016 to average 100,000 bopd and maintain this rate as plateau from 2016 for at least five years
- Water injection pilot project at more platforms
- Jet pumps in 12 more wells

The Dzhygalybeg (Zhdanov) A offshore platform.

Drilling



Platform based drilling rig.

- Complete between 15 and 20 wells a year in 2015 and in 2016
- Four drilling rigs (three jack-up and one platform-based rigs) in 2015
- Caspian Driller has arrived and is being commissioned for commencement of drilling operations in 1H 2015

Infrastructure

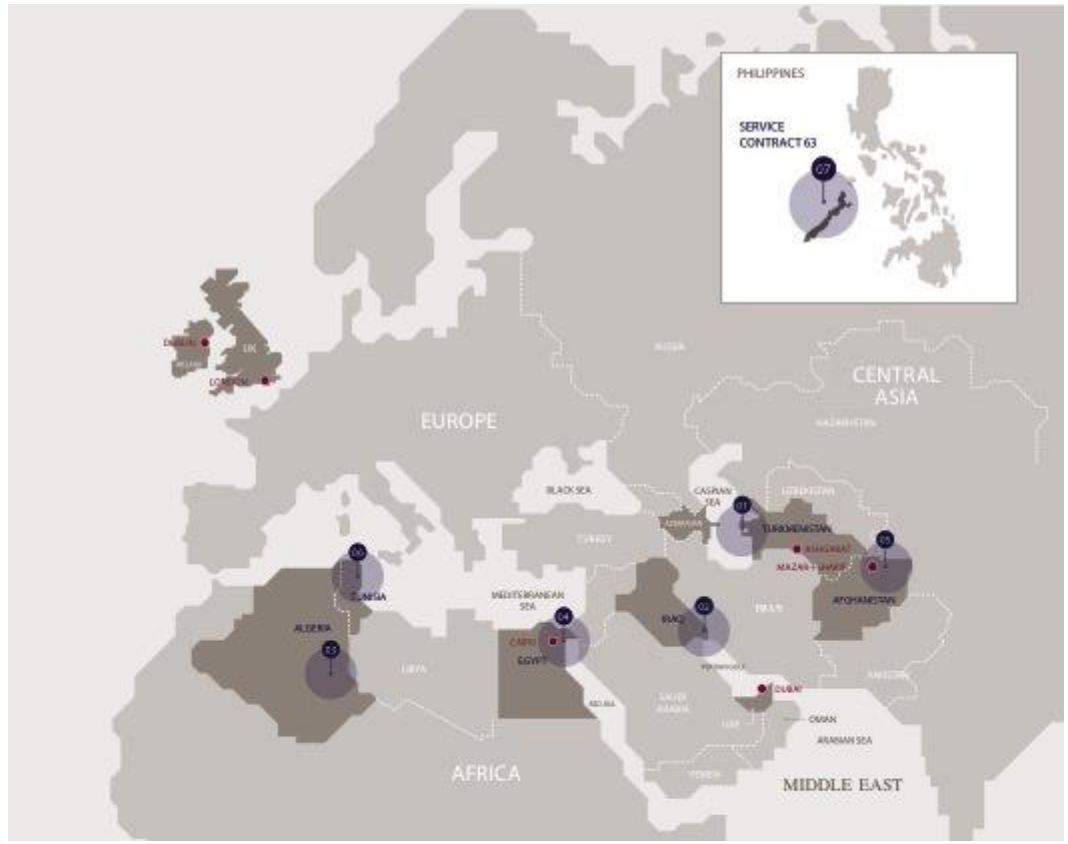
- Installation of the Dzheitune (Lam) F platform ongoing
- Fabrication and installation of the Dzheitune (Lam) E platform
- US$500mn to US$600mn estimated capital expenditure for infrastructure and drilling excluding the Gas Treatment Plant cost in Turkmenistan in 2015

Fabrication of an offshore platform.

Dragon Oil

Diversification

- Two appraisal wells in Block 9, Iraq
- Re-processing of existing 2D seismic data in East Zeit Bay, Egypt
- Airborne gravity and magnetic data acquisition in Afghanistan
- Annual exploration spend of around US$50-100mn



Investor and analyst enquiries
Dragon Oil plc
Anna Gavrilova
+ 44 20 7647 7804
agavrilova@dragonoil.com
ir@dragonoil.com

Media enquiries
Citigate Dewe Rogerson
Martin Jackson
+44 20 7638 9571

Joint Corporate Brokers
Davy
John Frain
+353 1 679 6363

Joint Corporate Brokers
Nomura International plc
Andrew Forrester
+44 20 7521 2000