

Ministry of Natural Resources
Kurdistan Regional Government

شارع 30 متري - صندوق بريد 18 \0112 - اربيل



30 Metre Street, Erbil, Kurdistan Region - Iraq

P O Box 18/0112 Erbil, T: +964 (0) 662550041/2

وزارة الثروات الطبيعية - حكومة اقليم كردستان - العراق

Date 5 /10/2009 Ref: MNR-DNO2

The Directors
DNO IRAQ AS,
Attention: Magne Normann
39th Floor, Shatha Tower
PO Box 502503,
Dubai Media City
Dubai, United Arab Emirates
Email: magne.normann@dno.no

cc: The Directors
DNO International ASA, Oslo, Norway
Email: Helge.Eide@dno.no

Dear Sirs,

Subject: Restarting Operations

We write in connection with our recent meetings, your related press releases and your follow-up letters to the distinguished leaders of Kurdistan Region, Iraq and to me at the Ministry of Natural Resources.

The Oslo Stock Exchange (OSE) public statement of 28th September has helped to clarify the position, following their recent meeting in Oslo with the Senior Advisor to the Prime Minister of Kurdistan Region.

We now realise that your unfortunate internal disagreements with the OSE were exploited by the media beyond DNO's control. The selective information released on the KRG, which appeared amongst OSE's published documents has created an ideal opportunity for the opponents of our oil and gas policies to try to undermine and damage the KRG's success over the last three years.

We can now discern a clear and well orchestrated attempt from the outset that has been exploited for political purposes. We will continue with our own inquiries on this issue and we appreciate any assistance that you may be able to provide on this matter.

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In the light of the above, we have decided that continued suspension of your operation in Kurdistan is longer warranted, and that all DNO's rights are hereby restated with immediate effect. DNO can resume the role of the Operator as before and without any restrictions.

Over the last few months, the Region has demonstrated (with DNO's help) that the Region can easily export 100,000 barrels of oil per day and that this can be doubled in a very short period of time. We are still working on mechanisms for guaranteed payments, however for now we agree with your request that the focus should be on increasing the supply of oil for local consumption (to the solve local needs) and also to maximized the short term cash-flows for DNO.

Yours Faithfully,

Dr. Ashti Hawrami
Minister of Natural Resources
Kurdistan Regional Government-Iraq

cc: Office of the Prime Minister/Oil and Gas Council