

3 February 2014

Faroe Petroleum plc (“Faroe”, “Faroe Petroleum”, the “Company”)

Solberg well commences in the Norwegian Sea

Faroe Petroleum, the independent oil and gas company focusing principally on exploration, appraisal and production opportunities in Norway, the Atlantic margin and the North Sea, is pleased to announce the spudding of the Wintershall operated Solberg appraisal well 6407/1-7 (Faroe 20%).

The Solberg prospect is located in the APA 2007 license PL475 on the Halten Terrace in the Norwegian Sea four kilometres north-east of the Tyrihans field and eight kilometres south-east of Faroe’s significant Maria discovery (2010).

The well will assess the lateral extent and size of the Lower Cretaceous Rodriguez discovery announced by Faroe in January 2013, where moveable hydrocarbons were discovered in sandstone layers in the Lange formation. The Operator's gross un-risked preliminary volumetric estimates of the size of the Rodriguez discovery were stated to be between 19 and 126 million barrels of recoverable oil equivalent.

In August 2013, the Company announced a farm down of the Solberg licence whereby Faroe retains 20% equity in exchange for a carry on costs. In addition, Faroe holds a 30% equity interest in the neighbouring Milagro Licence PL590, which offers excellent follow-up potential to Solberg in the event of success.

The Solberg licence drilling operations are operated by Wintershall Norge AS (35%) using the Borgland Dolphin drilling rig with partners Centrica Resources Norge AS (20%), Moeco Oil & Gas Norge AS (15%) and Spike Exploration Holdings AS (10%).

Graham Stewart, Chief Executive of Faroe Petroleum, commented:

“We are pleased to announce the spudding of the Solberg appraisal well which follows on from the adjacent Rodriguez discovery announced in January 2013. This well is particularly exciting due to its potential to open up a new play in this area, in which Faroe has built up a substantial position.

“Solberg is the second well to spud this year in our continuing high impact exploration and appraisal programme. This well follows the significant Snilehorn discovery announced in November 2013 and our recently announced small oil and gas discovery at the Novus well. The campaign continues with the current drilling of two further wells, on Pil, located close to the Njord Field and the Butch East well, adjacent to the Butch Main discovery in the Norwegian North Sea, with results due on each in the coming weeks.”

- Ends -

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Jan-Tore Paulsen, Exploration Manager Norway of Faroe Petroleum and a Geophysicist (MSc. in Geophysics from University of Bergen), who has been involved in the energy industry for 15 years, has read and approved the technical disclosure in this regulatory announcement

Notes to Editors

The Company has, through successive licence applications and acquisitions, built a substantial, diversified portfolio of exploration, appraisal, development and production assets across the Atlantic margin, the UK and Norwegian North Sea, Norwegian Sea, Barents Sea and offshore Iceland. Faroe Petroleum has extensive experience working with major and independent oil companies and its joint venture partners include BP, Centrica, DONG, E.ON Ruhrgas, GDF, OMV, Repsol, RWE Dea, Statoil and Wintershall.

The Company's licence portfolio provides considerable spread of risk and reward, encompassing over 60 licences. Faroe has a very active drilling programme ahead and it currently has interests in four principal producing oil and gas fields in the UK and Norway, including interests in the Blane oil field in the UK, and interests in the producing Njord, Brage and Ringhorne East fields in Norway, which collectively produced on average 7,200 boepd (economic production) in 2012. Full year production for 2013 is estimated to be between 5,500 boepd and 6,500 boepd following the extended shut in of the Njord platform.

In January 2013 Faroe announced a significant discovery in the Rodriguez prospect located on the Halten Terrace, in the Norwegian Sea. The discovery was made in the Lower Cretaceous, and led to the decision to fast-track drilling of the forthcoming Solberg well. In November 2013 Faroe announced the Snilehorn oil discovery in the Norwegian Sea in close proximity to the Hyme and Njord fields

Norway operates a tax efficient system which incentivises exploration, through reimbursement of 78% of costs in the subsequent year.

Faroe Petroleum is quoted on the AIM Market of London Stock Exchange plc with offices in Aberdeen, Stavanger, London and Torshavn. The Company is funded from cash reserves and cash flow, and has access to an undrawn \$250m borrowing base facility, with a fully funded drilling programme through 2014. Faroe has highly experienced technical teams who are leaders in the areas of seismic and geological interpretation, reservoir engineering and field development, focused on creating exceptional value for its shareholders.



Faroe Petroleum

PL475 Solberg

