

27th August 2008

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

Production Commences at Wissey Gas Field

Faroe Petroleum, the independent oil and gas company focusing principally on exploration, appraisal and undeveloped field opportunities in the Atlantic Margin, the North Sea and Norway, is pleased to announce that production has successfully commenced from the Wissey gas field, located in the UK Southern Gas Basin in UK Block 53/4D, in which Faroe holds an 18.75 per cent working interest.

Initial flow rates are on prognosis at approximately 70 mmscfd (million standard cubic feet per day), which corresponds to 11,600 barrels of oil equivalent (boe). The Wissey Gas Field is situated east of the Tullow operated Horne and Wren platform. The development consists of a single well subsea tie-back to the Horne and Wren platform, via a newly laid 10 kilometre pipeline. Gas is then transported onward to the Thames host facility for separation and compression and from there on to the Bacton Gas Terminal in the UK. Faroe Petroleum has entered into a gas sales agreement with E.ON Energy Trading to sell the gas in the market on behalf of Faroe Petroleum.

The net reserves attributable to Faroe Petroleum in respect of Wissey are estimated to be 5.9 billion cubic feet of gas (approximately 1 million boe), with the potential for further upside.

Faroe's interest was acquired in September 2007 from First Oil Expro Limited which retains an 18.75 per cent interest in the field.

Commenting on the news, Graham Stewart, Chief Executive said:

"We are delighted to announce first gas from the Wissey Gas Field; Tullow Oil has done an excellent job bringing this field safely and efficiently on production, as the offshore installations and modifications were completed without any major incidents or delays. Together with Minke and Schooner, Wissey is the Company's third field on production in the North Sea, significantly adding to Faroe's overall production and cash flow. This is an exciting period for the Company, with increasing production, four further near term field developments pending and a very active, fully funded 20 well, two year drilling programme. Seven of these wells are either drilling or scheduled to be drilled during the remainder of this year."

Ends

Enquiries:

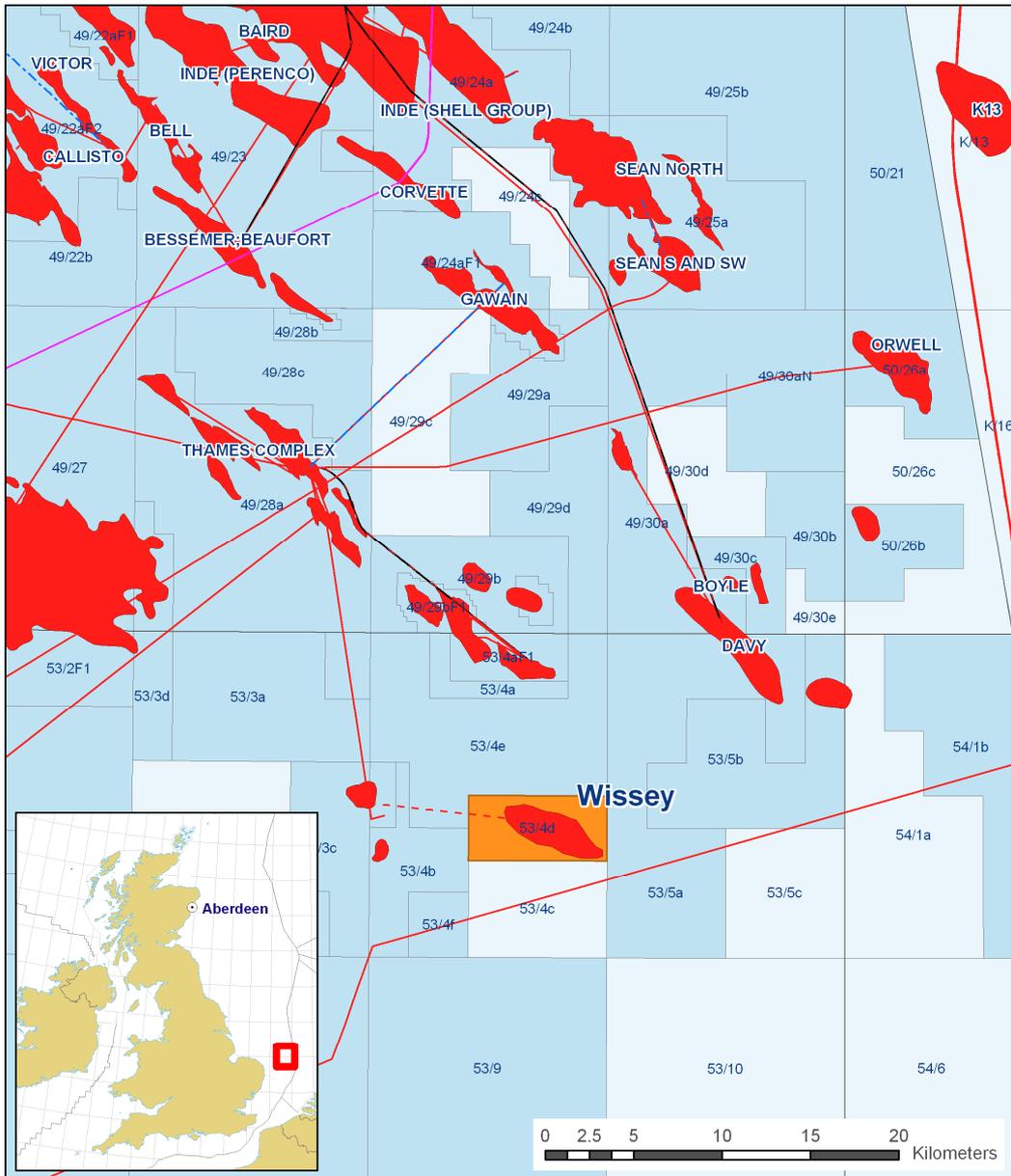
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Faroe Petroleum

Wissey Gas Field



Notes to Editors

The Company is actively building a balanced portfolio of operated and non-operated exploration and appraisal properties, with significant stakes and an active work programme. Faroe Petroleum has through successive licence applications and acquisitions built a substantial portfolio of exploration, appraisal and development assets across the Atlantic Margin, the UK and Norwegian North Sea and the Norwegian Sea. The 48 licence portfolio provides considerable spread of risk and reward, encompasses eight licences West of Shetlands, five licences offshore the Faroe Islands, four licences in the Moray Firth area of the UK Central North Sea, ten licences in the Southern gas basin and 20 licences in the Norwegian North Sea and Norwegian Sea. Faroe Petroleum joint venture partners include BP, Chevron, ConocoPhillips, DONG, DSM, Eni, E.ON, GDF, Oilexco, OMV, RWE, Shell and Statoil all of which have an outstanding track record in oil and gas exploration and development.

The Company is pursuing an active, fully funded drilling programme with wells in each of its core areas being drilled over the coming 18 months.

Faroe Petroleum is quoted on the AIM Market of the London Stock Exchange with offices in Aberdeen, Stavanger and Torshavn. The Company has a highly experienced team of professionals focused on creating exceptional value for its shareholders.

Trine Bjørvik, who has a degree in Petroleum Engineering from Rogaland Regional College 1982 and an MBA from the Norwegian School of Business and Administration is Asset Manager at Faroe Petroleum, has been involved in the energy industry for more than 25 years and has read and approved the technical disclosure in this regulatory announcement.