

14 October 2008

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

Hydrocarbons Discovered in Fulmar L Exploration Well

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 the results of the Fulmar L wildcat exploration well (22/11b-13).

The Fulmar exploration well, operated by Bow Valley Petroleum (UK) Limited (90%) was drilled to a total measured depth of 13,810 feet. The well penetrated a 123 foot gross sequence of Jurassic sandstone formation which was found to be hydrocarbon bearing in an upper 10 foot reservoir section. While volumes encountered in this well are not considered commercial, they provide significant encouragement of further potential on the licence. Formation pressures, fluid samples and other well data were acquired during a significant wireline logging and data acquisition programme. Further seismic and geological interpretation will be undertaken in order to determine the potential associated with this discovery. In the meantime, Bow Valley is proceeding with plugging and abandonment operations.

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

"While the discovered accumulation itself is considered sub-commercial, this wildcat exploration well has proven up an active petroleum system with excellent fluid and reservoir properties, which is extremely encouraging and positive news for the rest of the licence".

"The Company continues its fully-funded multi-well drilling programme, including four further wells in 2008. Faroe is currently drilling the Marsvin exploration well and preparing to flow test the recently announced significant East Breagh gas discovery. The West Breagh appraisal well is programmed to start drilling within weeks, followed by three further wells scheduled to be drilled later in the year in Norway: the Hyme and Grosso exploration wells and the South East Tor oil appraisal well. We look forward to updating the market on further progress as and when appropriate."

Ends

Andrew Roberts, who is a Geophysicist (BSc. Joint Honours in Physics and Chemistry from Manchester university), Group Exploration Manager of Faroe Petroleum and who has been involved in the energy industry for more than 25 years, has read and approved the technical disclosure in this regulatory announcement.

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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 49 licence portfolio provides considerable spread of risk and reward, encompasses eight licences West of Shetlands, five licences offshore the Faroe Islands, six licences in the Moray Firth area of the UK Central North Sea, ten licences in the Southern gas basin and twenty licences in the Norwegian North Sea and Norwegian Sea. Faroe Petroleum joint venture partners include BP, Chevron, ConocoPhillips, DONG, DSM, Eni, E.ON Ruhrgas, 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 well financed and 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.



Faroe Petroleum

Farm-in to Fulmar "L" Prospect

