

23 October 2008

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

Drilling Update for Norwegian Marsvin Exploration Well

Faroe Petroleum, the independent oil and gas company focusing principally on exploration in the Atlantic Margin, the North Sea and Norway, announces that drilling has been completed on the Norwegian Licence PL289, well 3/7-7 on the Marsvin exploration prospect.

The purpose of the exploration well was to find hydrocarbons in Late Jurassic rocks, on the south west flank of the Søgne Graben, straddling the border between Norway and Denmark. The Joint Venture Partners in this Norwegian licence are DONG E&P Norge AS (40% and operator), Talisman Energy Norge (30%) GDF Suez (16% interest) and Faroe Petroleum (14%). The well found good reservoir rocks, but unfortunately did not encounter movable hydrocarbons. This is the first exploration well to be drilled in License 289, which was awarded in 2003.

The well was drilled using the Maersk Guardian jack-up rig and was completed well within budget and without any HSE incidents.

Graham Stewart, Chief Executive of Faroe Petroleum, commented:

"The results for this first well on Marsvin were disappointing, however the licence holds a number of additional promising prospects, adjacent to the substantial Trym gas field (Faroe 10%), for which a near term development plan was submitted early this week.

"As Faroe Petroleum continues its portfolio drilling campaign, we are now preparing to commence the first of three further wells to be drilled in Norway in the coming months, namely Hyme, followed by South East Tor and Grosso. We look forward to updating the market on progress."

Ends

Enquiries:

Faroe Petroleum plc
Graham Stewart
Tel: +44 (0) 1224 650 920

Panmure Gordon
Katherine Roe
Tel: +44 (0) 20 7459 3600

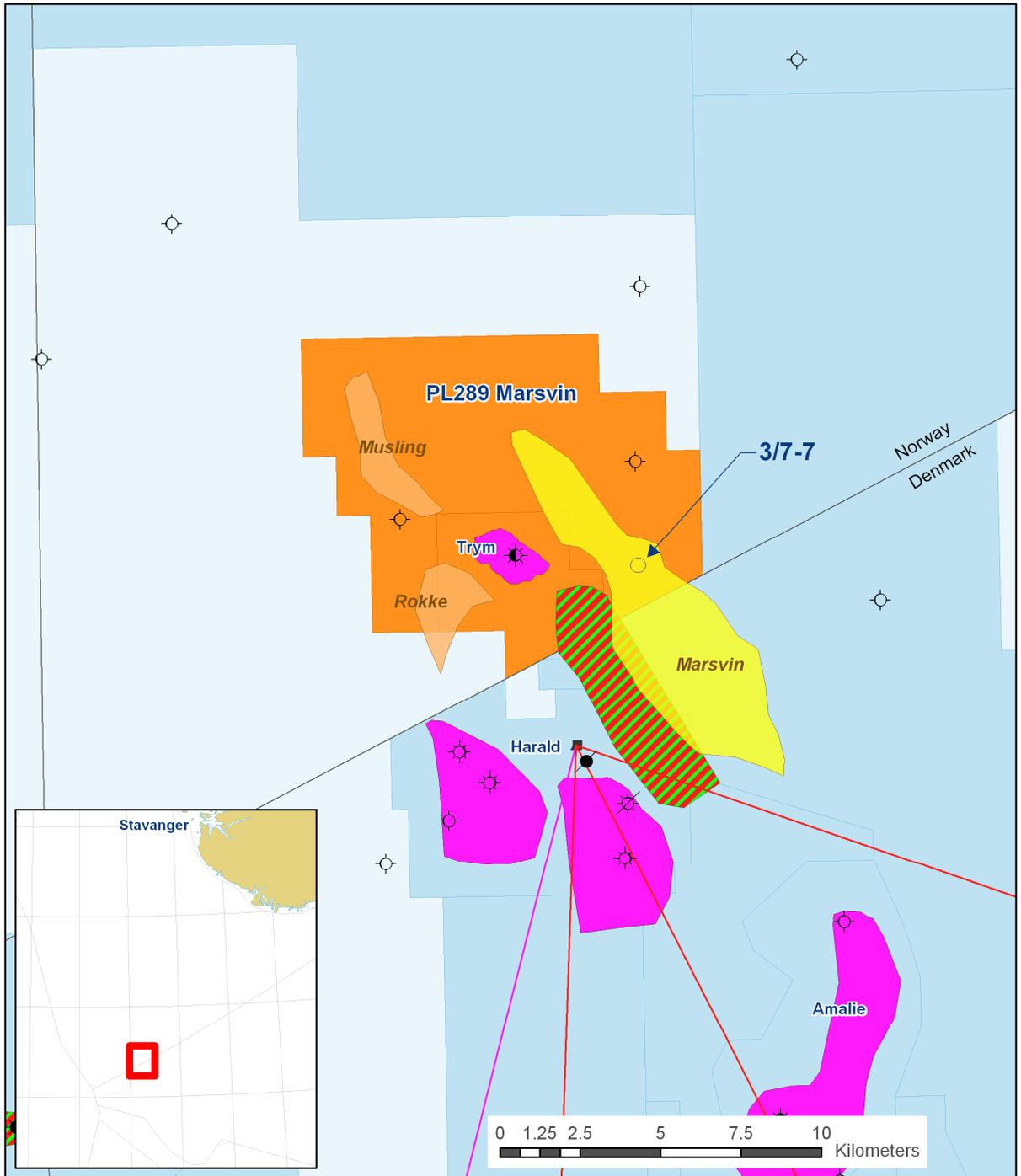
Financial Dynamics
Billy Clegg/Edward Westropp
Tel: +44 (0) 20 7831 3113

Andrew Roberts, who is a Geophysicist (BSc. Joint Honours in Physics and Chemistry from Manchester university), Exploration Manager of Faroe Petroleum Norge AS 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.



Faroe Petroleum

Well 3/7-7 Marsvin



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, with good cash reserves and un-drawn debt, receives revenues from three producing North Sea gas fields. Faroe 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.