

6 January 2009

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

Successful drilling of the West Breagh horizontal 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 successful drilling of the 42/13-5 and 42/13-5z wells on the West Breagh gas field, located in the UK Southern North Sea Gas basin (Faroe 10%).

The 42/13-5 well was drilled from the same location as the 42/13-3 vertical appraisal well drilled in 2007, which tested at rates up to 17.6 million cubic feet per day. The pilot hole encountered 165 feet of sand (approximately 55 feet vertical thickness) confirming consistency with previous wells. After cementing back the pilot hole, a 2,500 feet horizontal section was drilled through the reservoir to a total depth of 10,746 feet, confirming approximately 1,200 feet of sand (horizontal depth). The 42/13-5z well is now being prepared for flow testing.

Graham Stewart, Chief Executive of Faroe Petroleum commented:

“We are very pleased to report the successful drilling of this horizontal well, a first for operator Sterling Resources, which has confirmed the presence of significant sands. The Breagh gas field has been a great success for the partnership, having proved up substantial resources on both West Breagh and East Breagh. We now look forward to providing a further update on the results of the well test programme, which are expected to be available by the end of January”.

- Ends -

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.

Enquiries:

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

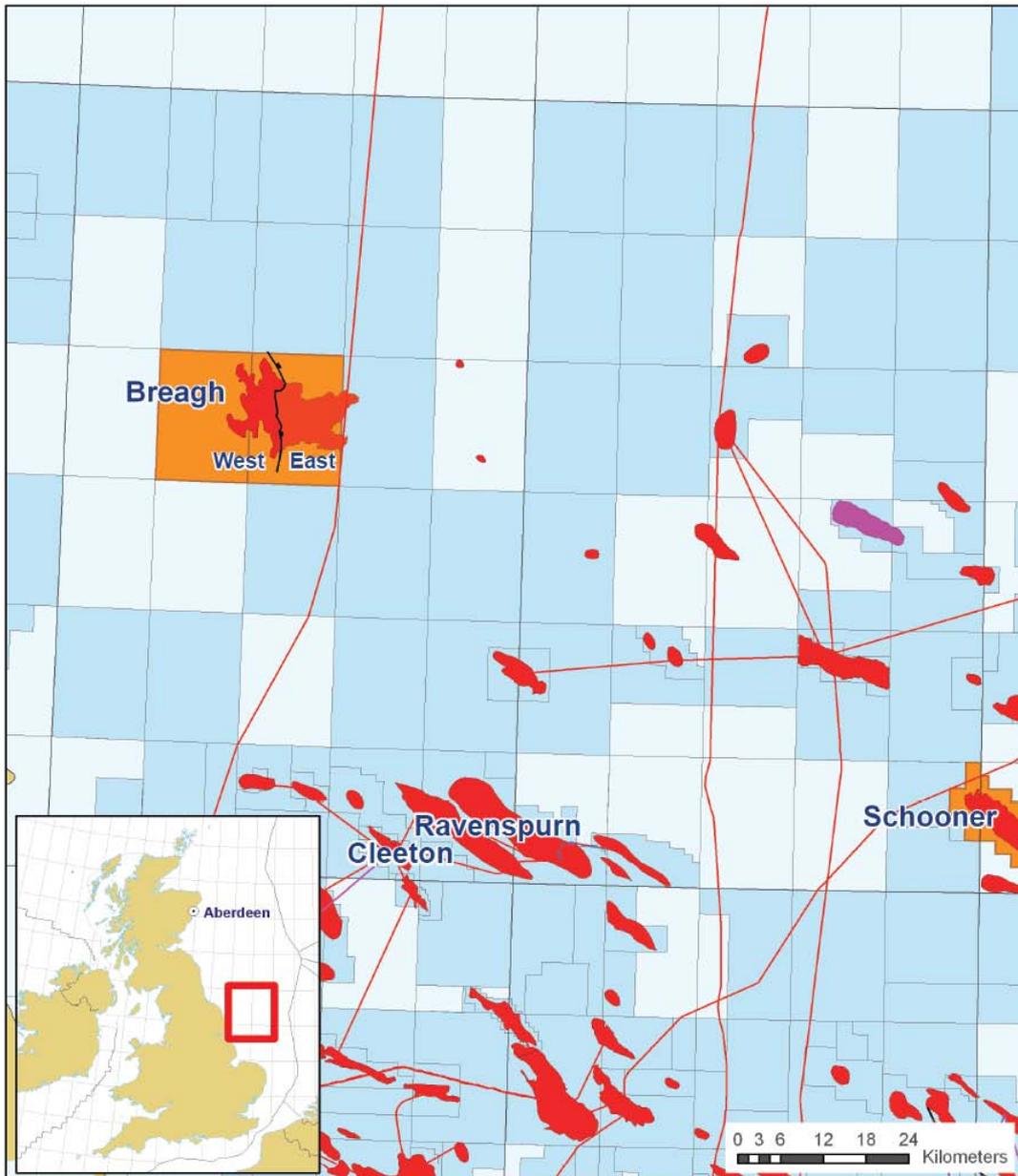
Panmure Gordon
Ashton Clanfield
Katherine Roe
Tel: +44 (0)20 7459 3600

Financial Dynamics
Jonathon Brill/Billy Clegg/Edward Westropp
Tel: +44 (0)207 269 7157



Faroe Petroleum

Location of Breagh 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 licence portfolio provides considerable spread of risk and reward, encompasses over fifty licences with eight licences West of Shetlands, six licences offshore the Faroe Islands, six licences in the Moray Firth area of the UK Central North Sea, eleven licences in the Southern gas basin and twenty three 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.