

6 February 2009

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

Norwegian Grosso Well Commences

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 drilling has commenced on the Norwegian Licence PL376 (Faroe 10%), which holds the substantial Grosso exploration prospect.

This licence is located on the North East flank of the North Viking Graben licence and following extensive geological and geophysical assessment, multiple prospects have been identified in both structural and stratigraphic closures, with Jurassic and Lower Cretaceous reservoir objectives. This is the first well to be drilled on the Licence, which is located immediately north of the Jurassic gas/oil Gjøa Field and south of the undeveloped Cretaceous Agat gas discovery.

The drilling operation, to be undertaken by the operator StatoilHydro using the Ocean Vanguard rig, is expected to take approximately 70 days. The other partners in the Licence are E.ON Ruhrgas Norge AS (10%) and Gaz de France (20%).

Graham Stewart, Chief Executive of Faroe Petroleum, commented:

"The Grosso well is an exciting exploration prospect and is part of a three well drilling programme which Faroe Petroleum is currently undertaking in the Norwegian North Sea. The other two wells to be drilled consecutively are the Hyme exploration and South East Tor appraisal wells. All of these wells qualify for 78% tax rebate under Norway's fiscal system, designed to encourage exploration."

"The Company has a NOK 500 million revolving credit facility with Barclays Bank and the Bank of Scotland, secured on excellent terms, for financing exploration and appraisal activity in Norway. This facility will be drawn upon to pay the majority of costs on all our Norway wells going forward, thereby conserving the Company's equity capital."

Ends

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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.

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, with substantial equity, an undrawn debt facility and production revenues from three UK gas fields. Faroe is pursuing an active, fully funded drilling programme with exploration wells in each of its core areas being drilled over the coming 18 months. Notably the Company is also participating in three significant exploration wells in the Atlantic Margin scheduled to be drilled in summer 2009.

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.