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

Norwegian Grosso Exploration Well Results

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, announces that drilling has been completed on the Norwegian Licence PL376 (Faroe 10%) on the high risk/high reward StatoilHydro-operated Grosso exploration prospect.

The primary objective of the well was to explore for hydrocarbons within Lower Cretaceous reservoirs. 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 well found good reservoir rocks, but unfortunately did not encounter movable hydrocarbons.

Licence partners are:

StatoilHydro Petroleum AS (Operator) 60%
GDF SUEZ E&P Norge AS 20%
Faroe Petroleum Norge AS 10%
E.ON Ruhrgas Norge AS 10%

The drilling operation was undertaken by the operator StatoilHydro using the Ocean Vanguard rig and was completed well within budget and without any HSE incidents.

Graham Stewart, Chief Executive of Faroe Petroleum, commented:

"Although results for the Grosso exploration well were disappointing, it was an attractive high impact opportunity and the licence still holds a number of additional promising prospects which we hope, through our minority 10% holding, to benefit from in due course.

"Faroe's share of drilling costs qualifies 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, for financing exploration and appraisal activity in Norway, which was utilised in this instance, thereby conserving the Company's equity capital."

"We remain committed to our ongoing fully funded drilling programme in Norway, West of Shetland and Faroe, and believe that through our extensive portfolio of assets we have a significant number of good quality exploration prospects with considerable resource and value potential."

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.