

5 May 2009

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

Faroe Petroleum awarded prestigious new licence in Norwegian Barents Sea

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 20th Norwegian Licence Round award of its first licence in the southern part of the Norwegian Barents Sea, as announced by the Norwegian Ministry of Petroleum and Energy.

The new licence covers approximately 900 square kilometres and is located within blocks 7224/7, 8 and 11. Considerable prospectivity has been identified in several stratigraphic levels ranging from the Upper Triassic through to the Permian. The licence contains a large structural feature called the Samson Dome. The crest of this dome was drilled in 1988 by well 7224/7-1, which encountered hydrocarbon shows. The Zealand Prospect is a structural/stratigraphic trap located down-dip from this well, on the flank of the dome, where a wedge of clinoforms has been identified contained within a large structural closure. The licence area is adjacent to the recent discoveries in wells 7222/6-1, 7222/11-1 and 7224/6-1, all operated by Statoil.

The new licence partners are Faroe Petroleum (20%), together with BG (40% and operator), Statoil (20%) and Wintershall (20%). The licence work programme involves the acquisition of 3D seismic data to cover the licence, with a decision to drill to be taken within 3 years.

Graham Stewart, Chief Executive of Faroe, commented:

“Our team have been working to identify exploration opportunities in the high potential Barents Sea for some time, and have considerable experience in the area. Faroe Petroleum is therefore delighted to have been awarded this prestigious licence in the highly competitive 20th Norwegian Licensing Round. We are very pleased to be working with operator BG, who have an excellent track record in exploration, as do licence partners Statoil and Wintershall, both of whom we have existing partnerships with. The Barents Sea is an area which complements our strategic position in the Atlantic margin area of West of Shetlands and the Faroe Islands and secures further highly prospective exploration acreage for the Company. We have built a large portfolio of high quality licences in Norway, mainly through licence rounds, and this latest award demonstrates clearly our high level of technical competence and a continuing close relationship with the Major oil companies.”

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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 licence portfolio provides considerable spread of risk and reward, encompassing nearly fifty licences with eight licences West of Shetlands, six licences offshore the Faroe Islands, two licences in the Moray Firth area of the UK Central North Sea, eleven 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, OMV, RWE, Shell and Statoil all of which have an outstanding track record in oil and gas exploration and development.

Faroe entered Norway in 2006 and, with its very experienced team, most of whom joined at that time from Paladin Resources, has established a strong position there to exploit the vast economic potential of its hydrocarbon wealth. All Norway exploration and appraisal expenditure benefits from the very favourable financing arrangements provided through the country's attractive tax regime, and the Company makes full use of this incentive in its Norwegian programme.

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.

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

Barents Sea

