

19 November 2009

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

**Production Update: Topaz Gas Field on Stream and Trym Swap Completed**

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 provide a production update following first gas from Topaz and the completion of the acquisition of interests in the producing Glitne and Enoch oil fields.

**Topaz Gas Field on Stream**

Production has successfully commenced from the Topaz gas field, located in the UK Southern Gas Basin, in which Faroe holds a 7.5 per cent working interest. Commissioning tests continue and the well is not yet operating at full choke. The expected initial production rate is 30 million standard cubic feet of gas per day (mmscf/d) which corresponds to approximately 5,000 barrels of oil equivalent (boe), equivalent to 375 boe net to Faroe.

The Topaz gas field (RWE Dea UK SNS Limited 57.5% and operator, GDF SUEZ E&P UK Ltd 35%), is tied back subsea to the Schooner gas field platform, in which Faroe also holds a 4.83% interest. The Topaz base case gross reserves are estimated to be approximately 20 bcf (1.5bcf net to Faroe).

**Trym Swap Completed**

Faroe has completed the exchange with DONG E&P Norge AS (“DONG”) of its 10% interest in the Trym development for:

- a 9.3 per cent interest in the producing Norwegian Glitne oil field;
- a 1.86 per cent interest in the producing Enoch field (located on the Norway/UK median line);
- cash of NOK 78.3m (£8.3m) of which £2 million is by way of initial consideration and the balance the net proceeds of sale (pre-tax) since the effective date of 1 January 2009; and
- a further amount up to £2 million is payable by DONG to Faroe upon certain production targets being met by the Trym Field

Combined current gross production from the Glitne and Enoch fields over the year to date has averaged 12,000 boepd, corresponding to net production to Faroe of around 700 boepd. Both fields have the potential for increased production with further field investment.

**Graham Stewart, Chief Executive of Faroe, commented:**

“We are pleased to announce first gas from the Topaz Gas Field and completion of our swap deal with DONG to add interests in the producing Glitne and Enoch oil fields in Norway. These three fields together with the Company’s existing UK Schooner and Wissey gas fields have taken Faroe’s overall production over the 2,000 boepd level.”

“This is an exciting period for the Company, with increasing production contributing towards the cost of the Company’s continuing exploration programme. Following our two recent back to back significant discoveries



in the west of Shetland area, Glenlivet and Tornado, we look forward to drilling a further five, high impact exploration and appraisal wells scheduled for the next 12 months, three in the Atlantic Margin and two in Norway.”

Ends -

### **Enquiries**

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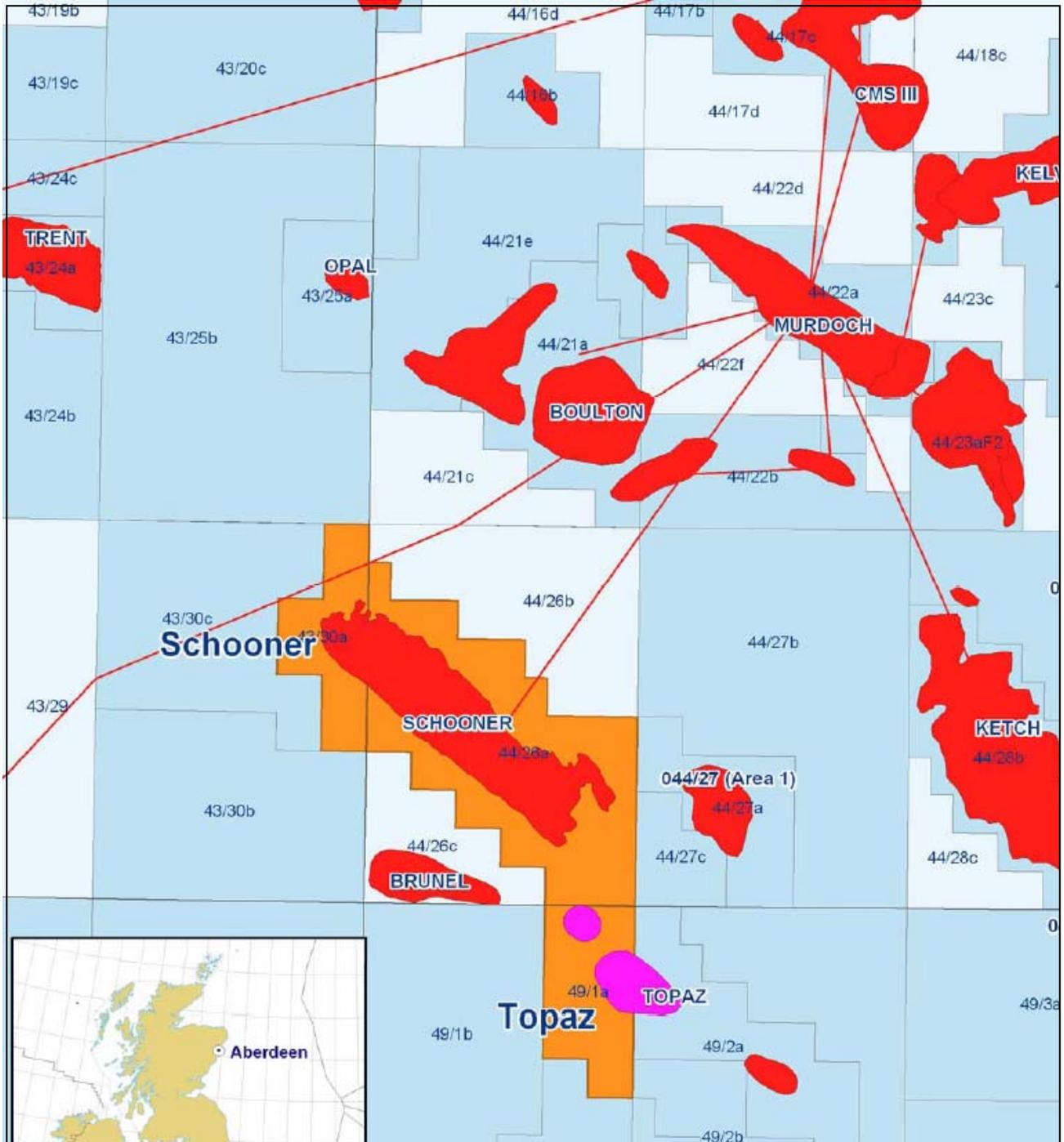
### **Notes to Editors**

Joran Austbo who is a Petroleum Engineer (Bsc in Petroleum Engineering from Stavanger University), of Faroe Petroleum Norge AS and who has been involved in the energy industry for more than 10 years, has read and approved the technical disclosure in this regulatory announcement.

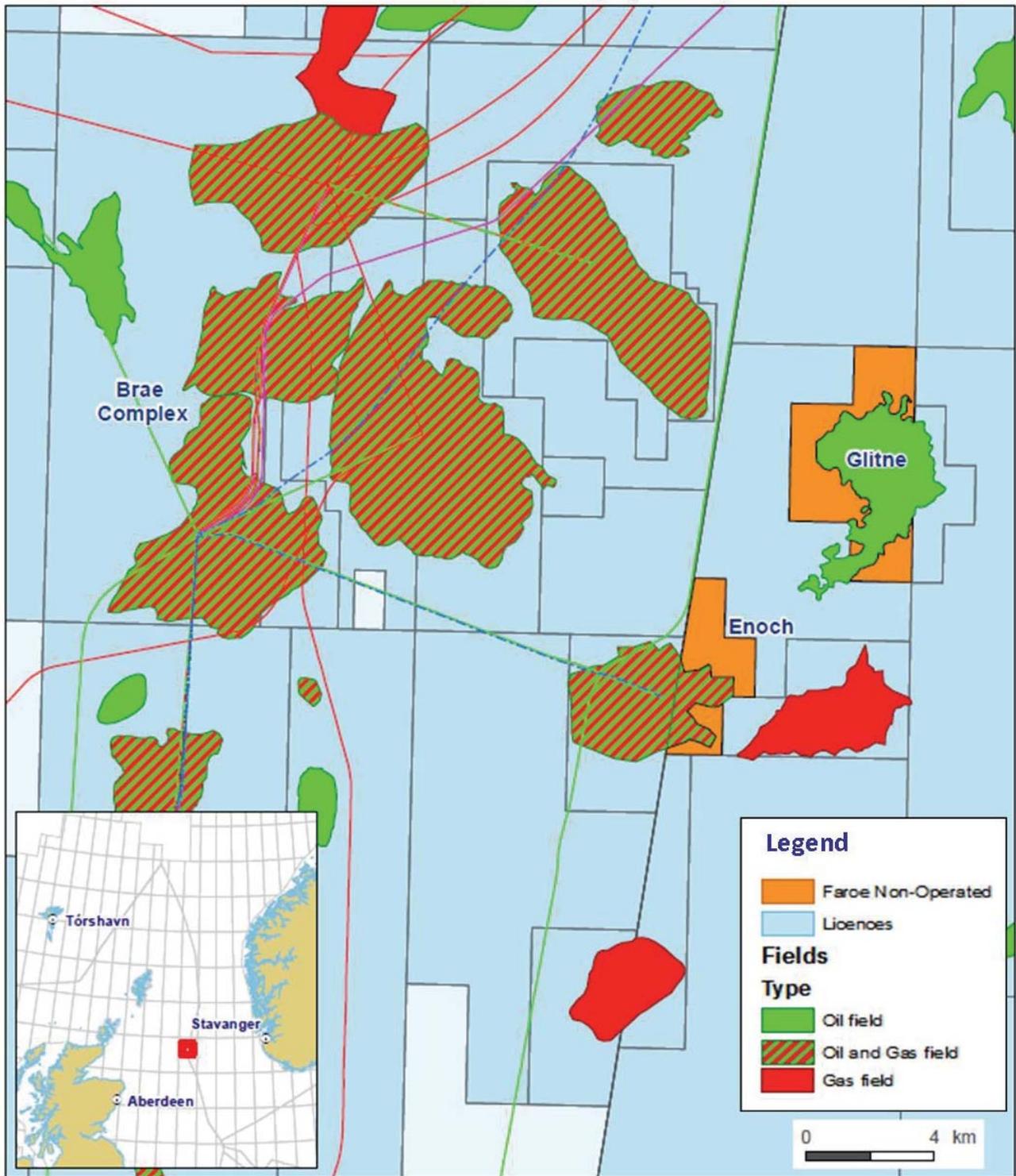
### **Notes to Editors**

The Company is actively building a balanced portfolio of exploration, appraisal and production 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, development and production 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 50 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, nine licences in the Southern gas basin and 20 licences in the Norwegian North Sea, Norwegian Sea and Barents Sea. In addition Faroe has interests in five producing oil and gas fields in the UK and Norway. Faroe Petroleum’s joint venture partners include BP, Chevron, ConocoPhillips, DONG, DSM, Eni, E.ON Ruhrgas, GDF, OMV, RWE Dea, Shell and Statoil all of which have an outstanding track record in oil and gas exploration and development.

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.



Map Showing Location of Topaz Field



Map Showing Locations of Enoch and Glitne Fields