

24 November 2009

Faroe Petroleum plc ("Faroe", the "Company")

Faroe pre-qualified as operator in Greenland

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, in advance of potentially submitting applications for licences, it has pre-qualified as an operator for the Greenland 2010 Baffin Bay Licensing Round.

The undiscovered oil and gas potential offshore West Greenland, which includes the Baffin Bay Licensing Round area, is estimated by the U.S. Geological Survey (USGS) to contain up to 18 billion barrels of oil equivalent.

The Baffin Bay Licensing Round, for which applications are being sought by May 2010, covers the prospective north west area of Greenland and is north of the Disko area where licences were awarded to a number of companies including Cairn Energy, Chevron and Exxon, in 2007. The area to be licensed is substantial and has been divided into 14 licence blocks covering a total area of 151,358 km². Seismic data coverage has improved significantly during recent years in preparation for licensing rounds in the region and there are nine seismic surveys available covering 21,257 km².

The pre-qualification of Faroe Petroleum as an exploration operator is a key part of the process the Company is pursuing in advance of potentially applying for licences in Greenland. Greenland is a modern, democratic, and politically stable society, within the kingdom of Denmark with home rule government, and strong association with Denmark in such areas as foreign policy, common currency, jurisdiction and defence. Licences are granted on terms very similar to the well known terms applicable in the North Sea. The fiscal terms for future production in Greenland are similar to those in place for the UK and the Faroe Islands and are generally regarded as attractive.

Graham Stewart, Chief Executive of Faroe, commented:

"We are pleased to announce our pre-qualification as an operator in Greenland, ahead of the upcoming 2010 Baffin Bay Licensing Round. As a key part of the Arctic region, with its potential to hold up to 25% of the world's undiscovered oil and gas resources, we are excited about this new opportunity. Greenland would represent a natural progression for Faroe Petroleum as a frontier exploration company focused on the Atlantic Margin and Norway and with its origins in the Faroe Islands.

"This is a technical and geopolitical environment in which we believe we have strong credentials to build a successful exploration portfolio and we are excited at the opportunity it presents to us".

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Enquiries

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



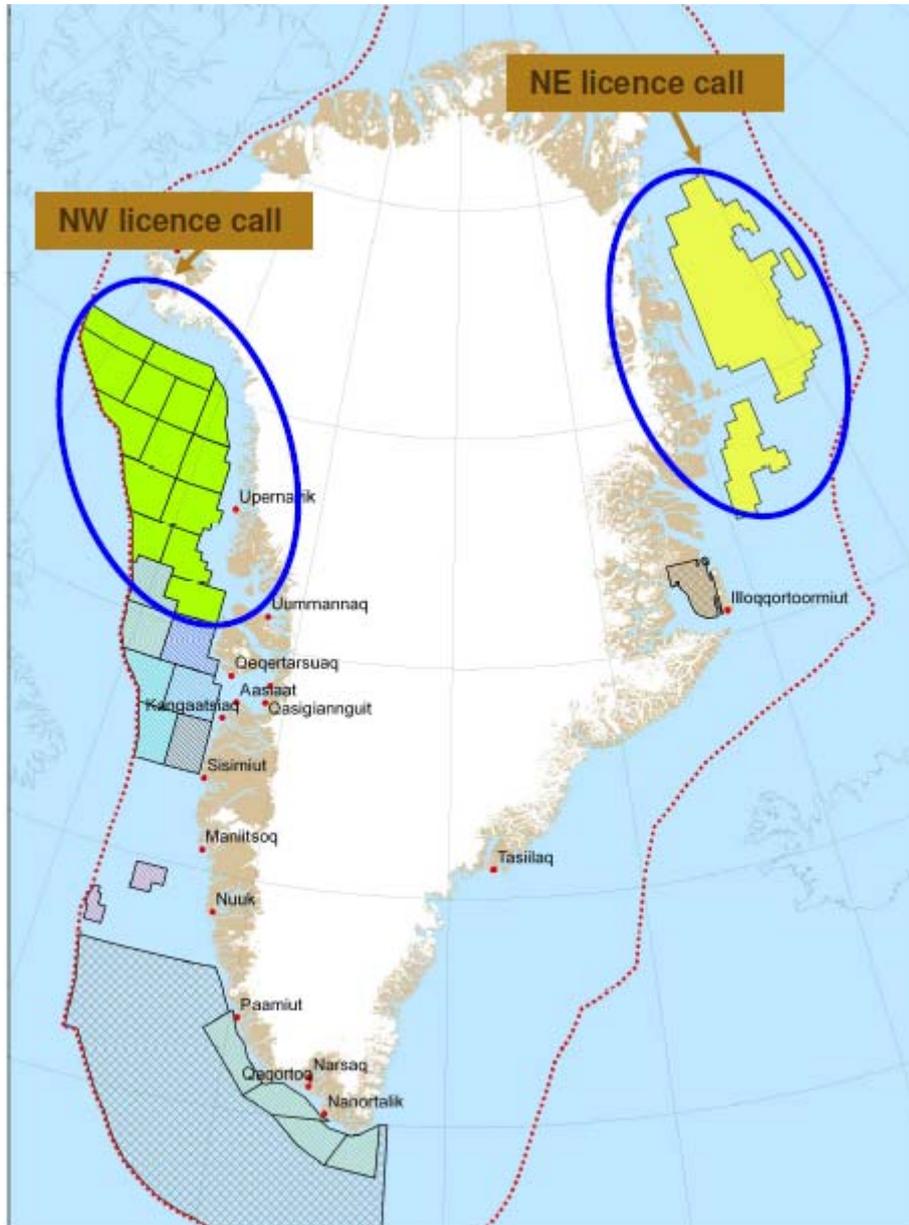
Panmure Gordon
Dominic Morley/ Ashton Clanfield
Tel: +44 20 7459 3600

Financial Dynamics
Billy Clegg/ Edward Westropp
Tel: +44 20 7831 3113

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 the regions in Greenland to be licensed in the future