

23 March 2010

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

Successful ongoing drilling of Fogelberg exploration well in the Norwegian Sea

Faroe Petroleum plc, 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 the well 6506/9-2 S has now reached the target reservoir on the Fogelberg Prospect (Faroe 15%), and that indications of hydrocarbons have been encountered.

The well was drilled into the mid Jurassic reservoir of the Garn Fm with indications of hydrocarbons based on log response and increased gas levels. As planned, coring of the hydrocarbon bearing zones will now be carried out, which is expected to take up to several weeks. In addition it is planned to undertake extensive data collection in order to perform a full formation evaluation.

Partners in the well are Centrica Resources Norge AS ("Centrica") (operator 28%), Petro-Canada Norge AS, (30%) E.ON Ruhrgas Norge AS (15%) and North Energy AS (12%). The drilling operation is being undertaken by the operator Centrica using the West Alpha semi-submersible drilling rig.

Situated in approximately 280m water depth, Fogelberg (license PL433) is a substantial prospect, located within a rotated fault block some 10 kilometres to the north of the Statoil operated producing Åsgard Field complex, within the Norwegian Sea. The structure is similar to the recent Statoil operated Morvin oil and gas discovery, located 10 kilometres to the south west, which was successfully appraised in 2006 by Statoil and is expected to come on stream towards the end of 2010.

Faroe Petroleum was awarded this license in 2007, as one of its first Norway licenses. This represents one of many licenses identified and won on the basis of Faroe Petroleum's own original technical work.

Graham Stewart, Chief Executive of Faroe Petroleum plc, commented:

“We are very pleased to announce the successful drilling of the Fogelberg Prospect and the promising findings so far. Alongside our partners Centrica, E.ON Ruhrgas and Petro Canada, we look forward to the coring and evaluation results and to making a further announcement thereafter.”

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Andrew Roberts, who is a Geophysicist (BSc. Joint Honours in Physics and Chemistry from Manchester university), Group Exploration Manager of Faroe Petroleum 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 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 some 40 licences with seven licences West of Shetlands, five licences offshore the Faroe Islands, eight licences in the Southern gas basin and 19 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, DONG, Eni, E.ON Ruhrgas, GDF, OMV, RWE Dea and Statoil all of which have an outstanding track record in oil and gas exploration and development.

The Company had considerable exploration success in 2009 with significant discoveries in the Glenlivet and Tornado fields, both located in the UK west of Shetlands area.

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.



Location map showing the Fogelberg prospect

