

THIS ANNOUNCEMENT IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, JAPAN AND THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH THE SAME WOULD BE UNLAWFUL. THIS ANNOUNCEMENT IS NOT AN OFFER OF SECURITIES IN THE UNITED STATES, AUSTRALIA, CANADA, JAPAN, THE REPUBLIC OF SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH THE SAME WOULD BE UNLAWFUL.

**Faroe Petroleum plc  
("Faroe" or the "Company")  
Successful Placing of Rights Issue Rump**

14 May 2010

Faroe announced previously that, as at 11.00 a.m. on 13 May 2010, being the latest time and date of receipt of valid acceptances, it had received valid acceptances in respect of 64,974,471 New Shares, representing approximately 93.1 per cent of the total number of New Shares offered pursuant to the Rights Issue announced by the Company on 27 April 2010.

Faroe confirms that, in accordance with the arrangements set out in Part III of the prospectus dated 27 April 2010 (the "Prospectus") , the Underwriters (Panmure Gordon and Oriel Securities) have procured subscribers for the 4,848,653 remaining New Shares, for which valid acceptances were not received, at a price of 125 pence per share.

The net proceeds from the sale of these New Shares, after deduction of the Issue Price of 100 pence per New Share and relevant costs, will be paid (without interest) to those Shareholders whose rights have lapsed in accordance with the terms of the Rights Issue, pro rata to their lapsed provisional allotments, save that individual amounts of less than £5.00 will not be so paid but will be retained for the ultimate benefit of the Company. The Underwriters have also procured subscribers for the 555 New Shares that represent the aggregated fractional entitlements.

Definitions used in the Prospectus apply in this announcement unless the context otherwise requires.

Contacts:

**Faroe Petroleum plc** +44 1224 650 920  
Graham Stewart

**Panmure Gordon** +44 20 7459 3600  
Dominic Morley  
Callum Stewart

**Oriel Securities Limited** +44 20 7710 7600  
Michael Shaw  
Neil Langford

**Financial Dynamics** +44 20 7831 3113  
Billy Clegg  
Edward Westropp



This announcement does not constitute an offer to issue or sell, or the solicitation of an offer to acquire or buy, securities in the capital of Faroe in the United States, Australia, Canada, Japan or the Republic of South Africa or in any other jurisdiction in which such an offer or solicitation is unlawful.

This announcement is not for distribution, directly or indirectly, in or into the United States, Canada, Japan or the Republic of South Africa.

The Fully Paid Rights and the New Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "US Securities Act"), or under the securities laws of any state, or other jurisdiction, of the United States or under the securities laws of Australia, Canada, Japan or the Republic of South Africa. The Fully Paid Rights and the New Shares may not be offered, sold or distributed within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with the applicable securities laws of any state or other jurisdiction of the United States. There has been no, nor will there be any, public offer of the Fully Paid Rights or the New Shares in the United States.

Neither the content of Faroe's website nor any website accessible by hyperlinks on Faroe's website is incorporated in, or forms part of, this announcement.

The distribution of this announcement and/or the Prospectus and/or the transfer of the Fully Paid Rights and/or the New Shares into jurisdictions other than the United Kingdom and the Faroe Islands may be restricted by law. Persons into whose possession this announcement comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Panmure Gordon, which is authorised and regulated by the FSA in the United Kingdom, is acting exclusively for the Company as Nominated Adviser, Joint Broker, Joint Bookrunner and Joint Underwriter in connection with the Rights Issue and Admission and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Rights Issue or any other matters referred to in this announcement.

Oriel Securities, which is authorised and regulated by the FSA in the United Kingdom, is acting exclusively for the Company as Joint Broker, Joint Bookrunner and Joint Underwriter in connection with the Rights Issue and Admission and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Rights Issue or any other matters referred to in this announcement.