

7 March 2012

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

Results of the T-Rex and Bolan exploration well, Norwegian Sea

Faroe Petroleum, the independent oil and gas company focusing principally on exploration, appraisal and production opportunities in the Atlantic margin, the North Sea and Norway, announces that oil was discovered on both the T-Rex and Bolan exploration prospects in the Norwegian Sea (Faroe 30%), on licence PL431 (blocks 6506/12, 6406/2&3 part), but not in commercial quantities.

The 6406/3-9 well, which is the first well to be drilled in the licence, reached a total depth of 4,183m within shales of the Lange Formation. The well targeted Lower Cretaceous sandstones of the Lange Formation (T-Rex) and Lysing Formation (Bolan). T-Rex was the primary target and preliminary results based on extensive coring, wireline logs and pressure data have confirmed the presence of oil, but in a thinner than expected reservoir interval, and the well will therefore not be production tested. Fluid samples were successfully recovered in T-Rex indicating oil of a quality in line with the fluids seen in the original discovery well 6506/11-2 (drilled by Statoil in 1991). The Bolan prospect in the shallower Lysing Formation also encountered an oil column, within an inter-bedded sandstone package. A similar extensive data gathering programme was performed on the Bolan prospect as with T-Rex.

T-Rex and Bolan are situated next to the Statoil operated producing Smørbukk oil fields on the Halten Terrace in the Norwegian Sea. Both the T-Rex and Bolan discoveries extend potentially over very large areas within licence PL431. Additional evaluation is required in order to delineate the areal extent of the oil bearing layers, before any decisions in terms of a further appraisal programme can be made.

The drilling operation was undertaken by Maersk Oil as operator (70% interest), using the Transocean Winner drilling rig, and the well is now being plugged and abandoned.

Graham Stewart, Chief Executive of Faroe Petroleum, commented:

“We are pleased to announce the presence of oil on both the T-Rex and the Bolan prospects, but are disappointed the reservoir intervals were not as thick as we had hoped for at this target location. The well does however provide very important new data and information which will allow further evaluation and de-risking of this exciting exploration province in which Faroe has a number of licences. This was Faroe’s first well targeting Cretaceous reservoirs on the Halten Terrace, where we made the significant Maria discovery in 2010. In addition to our evaluation of the remaining potential on Licence PL431, we will apply these new data directly to calibrate and identify the follow-up potential of several Cretaceous potential prospects we have in this area.”

“As we continue with our significant multi-well drilling programme, we also look forward to the next exploration wells scheduled for the second quarter of 2012 being North Uist, west of the Shetlands (Faroe 6.25%), Clapton, in Norway (Faroe 40% and operator) and Cooper in Norway (Faroe 30%).”



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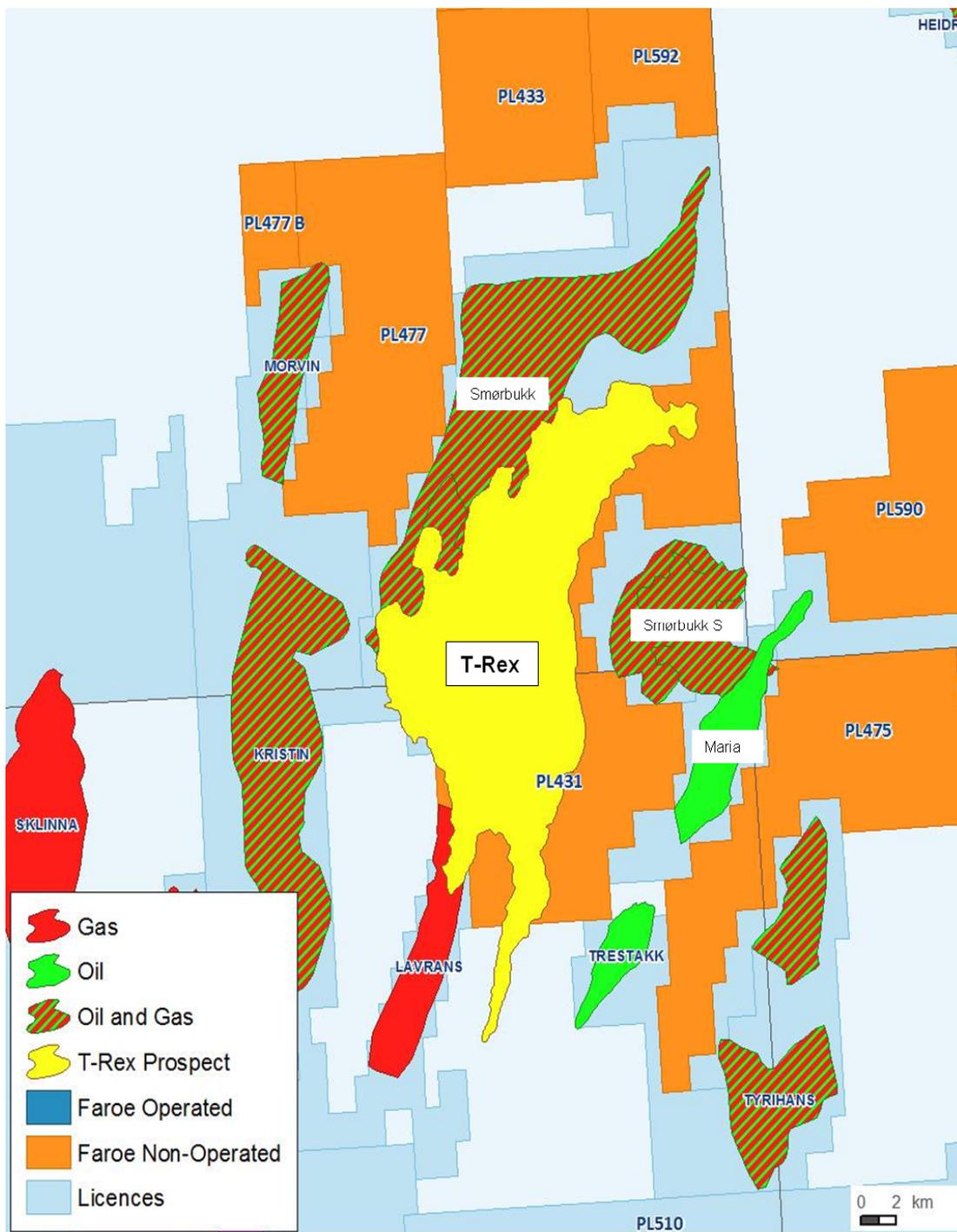
Jan-Tore Paulsen, Exploration Manager Norway of Faroe Petroleum and a Geophysicist (MSc. in Geophysics from University of Bergen), who has been involved in the energy industry 15 years, has read and approved the technical disclosure in this regulatory announcement.

Notes to Editors

The Company 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. Faroe has extensive experience working with major oil companies and its joint venture partners include BP, Chevron, DONG, ENI, E.ON Ruhrgas, GDF, OMV, RWE Dea, Statoil and Wintershall.

The Company's licence portfolio provides considerable spread of risk and reward, encompassing over 40 licences located in the West of Shetlands, offshore the Faroe Islands, the UK North Sea and Norway. In addition Faroe now has interests in 10 producing oil and gas fields in the UK and Norway, including the 2011 acquisitions of an interest in the Blane oil field in the UK and interests in the Brage, Hyme, Njord, Ringhorne East and Jotun fields in Norway.

Faroe Petroleum plc is quoted on the AIM Market of London Stock Exchange plc with offices in Aberdeen, Stavanger and Torshavn. The Company is well financed with a fully funded drilling programme extending into 2013 and has a highly experienced technical team at the leading edge of seismic and geological interpretation, reservoir engineering and field development, focused on creating exceptional value for its shareholders.



Map Showing T-Rex Prospect