

29 June 2012

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

**Results of Clapton exploration well, Norwegian North 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 the results of the Clapton exploration well in the Norwegian North Sea (Faroe Petroleum 40% and operator).

The well was drilled to a vertical depth of 2,619 m below sea level and was terminated in the Cretaceous Hydra Formation. The primary target was encountered on prognosis, but the reservoir was thinner and of poorer quality than prognosed. The Shetland Group chalk reservoir contained no hydrocarbons of producible quantities. Oil shows were present in the Neogene section and in the upper part of the Ekofisk. Data acquisition and sampling has been carried out and the well will now be plugged and abandoned.

This well, which is Faroe Petroleum’s first operated well in Norway, was drilled using the Maersk Guardian jack-up rig. The well came in on budget and was drilled safely without any serious incidents.

The Clapton well is located in licence PL.440 S in block 2/8, approximately 5 km east of the Eldfisk East Field and 10 km north of the Valhall Field. The partnership consists of Dana Petroleum Norway AS (20%), Lundin Norway AS (18%), Norwegian Energy Company ASA (12%) and Det Norske Oljeselskap ASA (10%).

Graham Stewart, Chief Executive of Faroe Petroleum, commented:

“Whilst the results for the Clapton well are disappointing, the data obtained does provide important new information which will allow further evaluation; particularly in the upper sections of the well where hydrocarbons were encountered.

This was also Faroe’s first operated well in Norway and we are very pleased that it was delivered on budget and drilled safely.

Faroe Petroleum has a significant and diverse exploration portfolio, and this is an exciting period for the Company as we continue operations right now on two high impact exploration wells, the Cooper well in the Norwegian Sea (Faroe 30%) and the North Uist exploration well west of Shetland (Faroe 6.3%). We look forward to the results of the Cooper well which is expected in the next two weeks.”

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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 Petroleum 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 Petroleum currently has interests in six producing oil and gas fields in the UK and Norway, including the recently completed acquisition of an 18% equity interest in the Blane oil field in the UK. Faroe Petroleum announced in April 2011 the swap of its 30% interest in the Maria discovery in Norway for interests in the producing Njord, Brage and Ringhorne East fields in Norway, in a transaction with state-owned Petoro.

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



# Faroe Petroleum

## Clapton overview map



