

5 April 2013

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

**Results of the North Uist frontier exploration well, west of Shetland**

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, is pleased to announce the results of the North Uist exploration prospect west of Shetland (Faroe 6.25%).

The 213/25c-1V exploration well targeted several reservoir objectives, the most significant of which was the North Uist prospect. The well reached a total vertical depth of 4,700 metres and encountered gas condensate in sandstone reservoirs in the target section. An extensive data set has been collected, including wire-line logs, pressure data and side-wall cores. A full formation and volume evaluation is underway. Preliminary results indicate varying reservoir quality and the commercial potential has yet to be evaluated. The shallower Cardhu prospect encountered traces of hydrocarbons.

This deep water frontier exploration well (Blocks 213/20b, 214/16b, 213/25c) is located near to Chevron's Rosebank oil discovery, also on the Corona Ridge, west of the Shetland Islands. To manage the typically higher well costs in this region, Faroe secured a financial carry of a portion of the well costs through farm-out arrangements and a relatively low retained licence equity.

The drilling operation has been undertaken by BP Exploration Operating Company Limited using the Stena Carron drill-ship. The well will now be plugged and abandoned, as planned.

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

“After a long period of drilling activity on this wild-cat exploration well, we are pleased to have made a discovery in the North Uist exploration well, although we had however hoped for better quality reservoir. The result proves another working hydrocarbon system in the frontier west of Shetlands which is good news for further prospectivity in these UK waters. The partnership will now undertake extensive analysis of the considerable volumes of data and samples collected from the well operations before deciding on the next steps.”

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Ian Wilson, Exploration Manager U.K. of Faroe Petroleum and a Geologist (PhD in Earth Sciences from University of Leeds), who has been involved in the energy industry 25 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, Norwegian Sea, Barents Sea and offshore Iceland. Faroe Petroleum has extensive experience working with major and independent oil companies and its joint venture partners include BP, Centrica, DONG, E.ON Ruhrgas, GDF, OMV, Repsol, RWE Dea, Statoil and Wintershall.

The Company's licence portfolio provides considerable spread of risk and reward, encompassing some 60 licences. Faroe has a very active drilling programme ahead and it currently has interests in four principal producing oil and gas fields in the UK and Norway, including interests in the Blane oil field in the UK, and interests in the producing Njord, Brage and Ringhorne East fields in Norway.

Faroe announced in January 2013 a significant discovery in the Rodriguez prospect located on the Halten Terrace, in the Norwegian Sea. The discovery was made in the Lower Cretaceous.

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 in 2013 and has highly experienced technical teams who are leaders in the areas of seismic and geological interpretation, reservoir engineering and field development, focused on creating exceptional value for its shareholders.