

09 September 2013

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

**Update on Njord facility**

Faroe Petroleum, the independent oil and gas company focussing principally on exploration, appraisal and production opportunities in the Atlantic margin, the North Sea and Norway, announces that it has been advised by the operator Statoil (the “Operator”) that, after its programme of maintenance and upgrade work, the start-up of the Njord and Hyme fields scheduled for 15 September has been delayed till the latter half of the month. This delay is to allow the Operator to complete an inspection which is being carried out to quality assure a new analysis model being used to assess structural integrity of the Njord A facility. We do not expect this delay to impact the Company's latest production guidance range announced on 20 August 2013. A further announcement will be made in due course.

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**About the Njord production facilities**

The Njord oil and gas field is located about 30 kilometres west of Draugen in the Norwegian Sea. The water depth in the area is 330 metres. The field has been developed with a semi-submersible drilling, accommodation and production facility, Njord A, and a storage vessel, Njord B. The facility is located over subsea completed wells connected through flexible risers. Njord came on stream in 1997. In 2005, the FDP for the Njord gas export project was approved with gas export starting in 2007. The Hyme oil field has been developed as a subsea satellite to Njord. The field came on stream in March this year.



### **Notes to Editors**

The Company has, through successive licence applications and acquisitions, built a substantial, diversified 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, which collectively produced on average 7,200 boepd (economic production) in 2012.

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, and led to the decision to fast-track drilling of the forthcoming Solberg well.

Norway operates a tax efficient system which encourages exploration, through reimbursement of 78% of costs in the subsequent year.

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 from a strong cash reserve, excellent cash flow and largely undrawn \$250m borrowing base facility, with a fully funded drilling programme in 2013 and beyond. Faroe 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.