

25 November 2014

Faroe Petroleum plc

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

Successful completion of sale of Glenlivet Field Interest

Faroe Petroleum, the independent oil and gas company focusing principally on exploration, appraisal and production opportunities in Norway and the UK, is pleased to announce the completion of the sale of its ten percent interest in the undeveloped Glenlivet gas field, West of Shetland.

The consideration for the sale of the Glenlivet interest is £10 million, with an effective date of 1 January 2014, of which a proportion is deferred until the submission of the field development plan and certain production targets being achieved.

Graham Stewart, Chief Executive of Faroe Petroleum, commented:

“I am pleased to announce completion of the sale of our Glenlivet interest to Total - a transaction directly in line with our stated monetisation strategy to ensure we fully leverage our exploration to create maximum shareholder value.

“Faroe has a very exciting continuing exploration and appraisal programme to look forward to in 2015. Our unique and robust financial position ensures we can participate in another five well high impact campaign in Norway. This will target significant resource potential and is funded from a combination of cash flow from our significant production base and Norwegian state funding.”

- Ends -

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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, Celtic 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 substantial licence portfolio provides considerable spread of risk and reward. Faroe is targeting a very active drilling programme throughout 2015 and 2016 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 6,059 boepd (economic production) in 2013. Faroe acquired controlling interests and operatorship in the Schooner and Ketch gas fields in the southern North Sea of the UK in 2014. Full year average economic production for 2014 is estimated to be between 7,000 boepd and 10,000 boepd.

In November 2013 and March 2014 Faroe announced the Snilehorn and Pil discoveries in the Norwegian Sea in close proximity to the Hyme and Njord fields and in April 2014 the Company announced the Solberg discovery in the Norwegian Sea. In July 2014 the Company announced the successful drilling of the Bue side-track well and provided an update of the resource range for the Pil and Bue discoveries of between 80 and 200 mboe (gross). Faroe has an exceptional exploration and appraisal programme scheduled for 2015 with five wells planned, all in Norway, including two Pil follow up wells.

Norway operates a highly tax efficient system which incentivises exploration through reimbursement of 78% of costs in the subsequent year. Faroe has built an extensive portfolio of high potential exploration licences in Norway which, together with its established UK West of Shetlands and North Sea positions provides the majority of prospects targeted by the Company's sustainable drilling programme of up to five well per annum.

Faroe Petroleum is quoted on the AIM Market of London Stock Exchange plc with offices in Aberdeen, Stavanger, London and Torshavn. The Company is funded from cash reserves and cash flow, and has access to a \$250m borrowing base facility, with a fully funded drilling programme through 2015 and 2016. 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.