

26 August 2015

Faroe Petroleum plc

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

Portrush exploration well commences drilling in the Norwegian Sea

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 commencement of the Portrush exploration well 6407/10-5 (Faroe 20%).

The Portrush prospect is located in the Norwegian Sea in licence PL793 and approximately 10 kilometres south east of the producing Statoil-operated Njord field (Faroe 7.5%) and 20 kilometres west of the Shell-operated Draugen field. The exploration well will target prospective resources along the Vingleia fault in Upper Jurassic reservoirs, analogous to the reservoirs found in Pil, Bue and Draugen.

The exploration licence PL793 was awarded to Faroe in January 2015 as part of the 2014 APA licensing round in a joint venture with AS Norske Shell (40% and operator), VNG Norge AS (20%) and Petoro AS (20%). The Portrush well will be drilled by the Transocean Barents semi-submersible drilling rig.

Graham Stewart, Chief Executive of Faroe Petroleum commented:

“I am very pleased to announce the spudding of the Shell operated Portrush exploration well located in proximity to our Pil and Bue discoveries and the Njord and Draugen fields.

“In addition, drilling operations on the Boomerang prospect continue. The Company will announce the results from the Boomerang well when drilling operations are complete, which is expected in September 2015. The Company’s exciting 2015 exploration drilling campaign, focuses entirely on this area in the Norwegian Sea and has the potential to add considerable additional value.”

– Ends –

For further information please contact:

Faroe Petroleum plc
Graham Stewart, CEO

Tel: +44 1224 650 920

Stifel Nicolaus Europe Limited
Callum Stewart /Michael Shaw/Ashton
Clanfield

Tel: +44 20 7710 7600

RBC Capital Markets
Matthew Coakes/Jeremy Low

Tel: +44 20 7653 4000

Andrew Roberts, Group Exploration Manager of Faroe Petroleum and a Geophysicist (BSc. Joint Honours in Physics and Chemistry from Manchester university), who has been involved in the energy industry for more than 25 years, has read and approved the exploration and appraisal disclosure in this regulatory announcement.

Notes to Editors

The Company has, through successive licence applications and acquisitions, built a substantial and diversified portfolio of exploration, appraisal, development and production assets across the UK and Norwegian North Sea, Norwegian Sea, Barents Sea, Atlantic margin and Celtic Sea. Faroe Petroleum has extensive experience working with major and independent oil companies and its joint venture partners include BP, Centrica, E.ON Ruhrgas, GDF, Maersk, OMV, Repsol, Shell, Statoil, Total, Tullow and Wintershall.

The Company's substantial licence portfolio provides considerable spread of risk and reward. Faroe has a very active drilling programme ahead and it currently has interests in six principal producing oil and gas fields in the UK and Norway, including interests in the Schooner and Ketch gas fields and Blane oil field in the UK, and interests in the producing Njord, Brage and Ringhorne East fields in Norway. Full year average economic production for 2015 is estimated to be between 8,000 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 producing Njord and Hyme 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 mmboc (gross). More recently, in April 2015, the Company announced the Shango discovery in the Norwegian North Sea.

Norway operates a 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 four to five well per annum drilling programme.

Faroe Petroleum is quoted on the AIM Market of London Stock Exchange. 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. 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.

Portrush Exploration well

