

23 September 2015

**Faroe Petroleum plc**

**("Faroe", "Faroe Petroleum", the "Company")**

**Blink 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 second Pil/Bue follow-up well with the spudding of exploration well 6406/12-5S (Faroe 25%) on the Blink prospect.

The Blink prospect is located in the Norwegian Sea in Licence PL586, which also contains the significant Pil and Bue discoveries (announced in 2014). The licence is located in proximity to the producing Njord field (Faroe 7.5%).

The drilling programme will target the Upper Jurassic reservoirs analogous to the Pil, Bue and Draugen field reservoirs. This well follows on directly from the Boomerang well which encountered a 26 metre gross Upper Jurassic intra-Spekk/Rogn sandstone containing estimated recoverable resources of between 13 and 31 million barrels of oil equivalent.

The Blink exploration well, located in water depth of approximately 360 metres, is operated by VNG Norge AS (30%) using the Transocean Arctic semi-submersible drilling rig with partners Spike Exploration AS (30%) and Pure E&P Norway AS (15%) and the results will be announced when drilling operations are complete.

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

"I am very pleased to announce the spudding of the Blink exploration which follows on from the Boomerang discovery announced last week. Blink is part of the follow up drilling programme on the significant Pil and Bue discoveries announced in 2014, located in the same licence area and within tie-back distance of the producing Njord field infrastructure.

"The Greater Njord Area, which includes the Pil and Bue discoveries, the producing Njord and Hyme fields as well as the Snilehorn discovery announced in late 2013, together form a substantial position for Faroe with already significant proven resources. This drilling campaign has the potential to add considerable additional value."

– Ends –

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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 Atlantic margin, the UK and Norwegian North Sea, Norwegian Sea, Barents Sea and the 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 9,000 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 mmboe (gross). More recently, in April 2015, the Company announced the Shango discovery in the Norwegian North Sea and in September 2015, the Boomerang well in the Norwegian 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.

### Blink Prospect

