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Faroe Petroleum plc

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

### Boomerang well results

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 an oil discovery in the main bore of the Boomerang exploration well (Faroe 25%).

#### Highlights

##### **Main bore 6406/12-4 S:**

- Drilled close to the Pil discovery
- The well encountered a 26 metre gross Upper Jurassic intra-Spekk/Rogn sandstones with good reservoir properties and moveable oil with preliminary estimates of recoverable volumes in the range between 13 and 31 million barrels of oil equivalent
- Hydrocarbons were also confirmed above the Pil oil-water contact in an 80 metre gross interval of Melke age sandstone of varying reservoir quality
- The main Pil reservoir sandstone was encountered within the water leg, as planned, giving important appraisal information for the Pil development

##### **Side-track exploration well 6406/12-4 A:**

- Drilled into the southern segment of the Boomerang prospect
- The well encountered approximately 530 metres gross thickness of Jurassic sandstones with poor reservoir quality
- The well had indications of hydrocarbons but the presence of moveable hydrocarbons was not proven

The 6406/12-4 wells were drilled on the Halten Terrace, about 33 kilometres south west of the Njord field and 1.7 kilometres south east of the Pil discovery well 6406/12-3 S.

The objective of the main well bore 6406/12-4 S was to test the hydrocarbon potential in the south west segment of the Upper Jurassic Boomerang prospect close to the Pil discovery. The primary reservoir targets were Upper Jurassic reservoirs analogous to the Pil, Bue and Draugen field reservoirs.

The main well bore encountered a 26 metre gross Upper Jurassic intra-Spekk/Rogn sandstone. Preliminary analysis from wireline logs, pressure and fluid sampling shows that the well encountered sandstones with good reservoir properties and moveable oil. Preliminary estimates of recoverable volumes in the discovery range between 13 and 31 million barrels of oil equivalent.

The secondary objective of the main well bore was to investigate the extent, thickness and properties of Upper Jurassic Melke reservoir rocks, as well as the extent and level of the Pil oil-water contact. Hydrocarbons were confirmed above the Pil oil-water contact in an 80 metre gross interval of Melke age sandstone of varying reservoir quality, and the main Pil reservoir sandstone was encountered within the water leg, as planned, giving important appraisal information for the Pil development.

The exploration side-track 6406/12-4 A was drilled into the southern segment of the Boomerang prospect with the main objective testing the hydrocarbon potential in the Upper Jurassic sandstone of the Spekk and Melke formations. The well encountered approximately 530 metres gross thickness of Jurassic sandstones with poor reservoir quality and reached a total vertical depth of 3,800 metres below sea level. The well had indications of hydrocarbons but the presence of moveable hydrocarbons was not proven.

The Boomerang well will now be plugged and abandoned and the rig will be moved approximately six kilometres to the north east to drill the Blink prospect (6406/12-5 S). Blink is an independent structural and stratigraphic prospect. The well will target analogous Upper Jurassic reservoirs to Pil, Bue and Draugen.

This drilling campaign is being 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%).

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

“We are pleased to announce the results from the Boomerang well, which adds further resources to the Pil area from a new reservoir. This appraisal and exploration well has provided a significant amount of important data and again proven how prospective the Pil area is.

“While we carry out further evaluation, the exploration campaign continues with drilling of the Blink prospect, due to spud shortly. Blink is an exciting independent prospect targeted as a potentially large addition to the already significant Pil and Bue discoveries announced in 2014, all of which are located in the same licence.”

– 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 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 mmboe (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.

### Boomerang Prospect

