

11 September 2015

**Faroe Petroleum plc**

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

**Portrush exploration well results**

Faroe Petroleum, the independent oil and gas company focusing principally on exploration, appraisal and production opportunities in Norway and the UK, announces the results of the Portrush exploration well 6407/10-5 (Faroe 20%).

The objective section in the Upper Jurassic reservoir rocks (the Rogn and Melke formations) was encountered with a thickness of about 330 metres, and whilst 134 metres was reservoir sand, of variable quality, no hydrocarbons were encountered.

Well 6407/10-5 was drilled to a vertical depth of 2,850 metres below sea level, and was terminated in the objective interval. The water depth at the site is 336 metres. Once the data acquisition programme has been completed, the well will be permanently plugged and abandoned.

This well was the first exploration well to be drilled in production licence PL793, awarded in January 2015 (APA 2014) and is located in the Grimsoan Basin, Haltenbanken, approximately 20 kilometres south west of the Draugen field and less than 10 kilometres south east of the Njord field.

The well was drilled ahead of schedule using the drilling facility Transocean Barents and operated by AS Norske Shell.

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

“Whilst the results of this well are disappointing, we were fortunate in that we have been able to take advantage of reduced rig rates and associated drilling costs, which coupled with the Norwegian tax rebate system, realised a significantly lower well cost, net to Faroe. Meanwhile drilling operations are continuing on the Pil/Bue follow-up programme targeting upside in the Boomerang and Blink wells; Pil and Bue were significant discoveries announced in 2014, located in the same licence.”

– 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

FTI Consulting  
Edward Westropp/Tom Hufton

Tel: +44 20 3727 1000

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.