

16 August 2018



Faroe Petroleum plc

("Faroe Petroleum" or the "Company")

Requisition of General Meeting

The Board of Faroe Petroleum plc ("Faroe," "Company," "Board"), the independent oil and gas company focusing principally on exploration, appraisal and production opportunities in Norway and the UK, acknowledges receipt of a request from DNO ASA ("DNO") that a General Meeting of the Company be convened for the purposes of considering a shareholder resolution to appoint Bijan Mossavar-Rahmani, Executive Chairman of DNO, and Bjørn Dale, Managing Director of DNO, to the Board ("Proposed Resolutions").

The Board is very concerned that DNO has taken this action and intends unanimously to recommend that shareholders vote against DNO's Proposed Resolutions for the following reasons:

- as a competitor to Faroe on the Norwegian Continental Shelf, the Board believes it would be inappropriate for Directors proposed by DNO to be appointed to the Board of Faroe given the potential conflicts of interest between Faroe and DNO;
- Faroe has had significant industrial shareholders since its IPO in 2003; Dana Petroleum plc, Korea National Oil Corporation (through its subsidiaries), SSE plc, and Delek Group, none of which has had representation on the Board;
- Faroe has a strong corporate governance culture and practices, with five Independent Non-Executive Directors, representing all shareholders;
- such an appointment would be inconsistent with the principle of independent boards, and normal practice, for companies that operate on the Norwegian Continental Shelf; and
- the Board believes that the addition of the Executive Chairman and Managing Director of DNO to the Board would not serve the interests of Faroe's shareholders as a whole or that of the Company.

In addition to these considerations, a significant number of Faroe's major institutional shareholders have provided clear guidance that they do not wish DNO to be represented on the Board.

The Board believes that the Proposed Resolutions are wholly self-serving and are part of an undisclosed strategy on DNO and Mr. Mossavar-Rahmani's part to try and gain control of Faroe's business without making an offer to all shareholders at an appropriate premium.

Faroe is currently confirming whether the purported requisition has been validly served. Once that process has been completed, formal notice of a General Meeting to consider the Proposed Resolutions will be despatched to shareholders.



In the meantime shareholders are urged to take no action.

For further information please contact:

Faroe Petroleum plc

Graham Stewart, CEO

Tel: +44 1224 650 920

N M Rothschild & Sons Limited

Emmet Walsh / Elias Mitropoulos

Tel: +44 20 7280 5000

Stifel Nicolaus Europe Limited

Callum Stewart / Nicholas Rhodes / Ashton Clanfield

Tel: +44 20 7710 7600

BMO Capital Markets

Tom Rider / Jeremy Low

Tel: +44 20 7236 1010

FTI Consulting

Ben Brewerton / Emerson Clarke

Tel: +44 20 3727 1000

The information contained within this announcement is considered to be inside information prior to its release, as defined in Article 7 of the Market Abuse Regulation No. 596/2014, and is disclosed in accordance with the Company's obligations under Article 17 of those Regulations.