

11 January 2019

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

**Results of the Brasse Appraisal side-track**

Faroe Petroleum, the independent oil and gas company focusing principally on exploration, appraisal and production opportunities in Norway and the UK, announces the final results of the Brasse appraisal sidetrack 31/7-3 A in the northern North Sea (Faroe 50% working interest and operator).

The Brasse appraisal well 31/7-3 A sidetrack, was planned as an appraisal of the northern part of the Brasse field, commenced on the 17 December 2018 and drilled to a total depth of 2254 metres below sea level. Wireline logging, pressure data and fluid sampling confirms that the well has encountered 62 metres of gross hydrocarbon-bearing Jurassic reservoir and a c. 20 m deeper oil water contact in the northern part of Brasse compared to the central and southern parts.

Based on the extensive data collected from the four previous wellbores and the excellent quality sands encountered in the Brasse East exploration well 31/7-3 S, immediately to the east of Brasse and the northern appraisal side-track, the uncertainty range for the total gross volumes of recoverable hydrocarbons in the Brasse field will be revised. The sidetrack well encountered a lower than expected net to gross ratio and a significantly deeper oil water contact. These new data points will now be incorporated in the Brasse geological models and an updated reserves range will be reported in due course.

Drilling operations are being undertaken using the semi-submersible Transocean Arctic rig and the well will now be plugged and abandoned as planned.

The co-venturer in the Brasse PL 740/PL 740 B/PL 740 C licences is Vår Energi AS (50%).

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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 30 years, has read and approved the exploration and appraisal disclosure in this regulatory announcement.

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.

In accordance with Rule 26 of the Takeover Code, a copy of this announcement will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Faroe's website at <https://www.fp.fo/> by no later than 12 noon on the Business Day following the date of this announcement. For the avoidance of doubt, the content of the website is not incorporated into and does not form part of this 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 in Norway, the UK and Ireland. Faroe has extensive experience working closely with major and independent oil companies and is an experienced operator of both exploration and production licences.

The Company's substantial licence portfolio provides a diverse spread of risk and reward. Faroe has an active E&A drilling programme and has interests in a portfolio of producing oil and gas fields in Norway and the UK, including interests in the Brage, Ringhorne East, Ula, Tambar and Trym fields in Norway and the Blane oil field in the UK. In 2016 the Company completed the acquisition of a package of Norwegian producing assets from DONG Energy including interests in the Ula, Tambar, Oselvar and Trym fields and in December 2018 announced a transaction with Equinor to swap the Company's interests in Njord, Hyme and Bauge for interests in four producing fields, Alve, Marulk, Ringhorne East and Vilje .

In November 2013 and March 2014 Faroe announced the Snilehorn (Bauge) and Pil (Fenja) discoveries in the Norwegian Sea in close proximity to the Njord and Hyme fields. In July 2016, the Company announced the Brasse discovery, close to the Brage field, and the Njord North Flank (Bauge) discovery, close to the Njord field, both in Norway. In February 2018, the Company announced the sale of part of its interest in the Fenja field and in April 2018 announced the significant Iris and Hades discoveries.

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 North Sea positions provides the majority of prospects targeted by the Company's sustainable exploration drilling programme. Faroe has had significant success in exploration on the Norwegian continental shelf, and the great majority of the Company's 2P reserves have been generated directly from Faroe's exploration success.

Faroe Petroleum is quoted on the AIM Market of London Stock Exchange. The Company is funded from cash reserves and cash flow, with a net cash position of £83 million (unaudited) at 30 June 2018, up from £75 million at 31 December 2017 and in addition has access to a \$350 million reserve base lending facility. The Company has also raised a \$100 million senior unsecured bond which is listed on the Oslo Børs. Faroe has a highly experienced technical team who are leaders in the areas of seismic and geological interpretation, reservoir engineering and field development, focused on creating exceptional value for its shareholders.