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FOR IMMEDIATE RELEASE

16 January 2019

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

Announcement of Cancellation from trading on AIM

On 14 January 2019, DNO ASA ("**DNO**") announced that its Final Offer became unconditional in all respects on 11 January 2019. Faroe notes that the Final Offer is being extended and will remain open until further notice, and that DNO will give at least 14 days' notice prior to closing the Final Offer. The full terms and conditions and the procedures for acceptance of the Final Offer are set out in the final offer document which was published and sent to Faroe Shareholders by DNO on 8 January 2019 (the "**Final Offer Document**").

As at 15 January 2019, DNO had received valid acceptances of the Final Offer in respect of a total of 55,688,915 Faroe Shares representing approximately 14.06 per cent. of the issued share capital of Faroe. DNO owns 247,767,513 Faroe Shares representing 62.58 per cent. of the issued share capital of Faroe.

Accordingly, DNO has now acquired or agreed to acquire 303,456,428 Faroe Shares, in aggregate representing approximately 76.64 per cent. of the issued share capital of Faroe.

The references to the issued share capital of Faroe above are based on a figure of 395,942,468 Faroe Shares in issue as at the date of this announcement.

Cancellation of Faroe from trading on AIM

As DNO has, by virtue of its acceptances of the Final Offer, acquired or agreed to acquire Faroe Shares representing at least 75 per cent. of the voting rights of Faroe, Faroe confirms that the 20 Business Day notice period for the cancellation of the admission to trading on AIM of Faroe Shares (the "**Cancellation**") has commenced. The Cancellation is expected to take effect at 7.00 a.m. on 14 February 2019.

Following the cancellation of trading of the Faroe Shares on AIM, DNO has announced that it will re-register Faroe as a private limited company.

There will be no ready market for Faroe's shares following the Cancellation. The Cancellation and the re-registration of Faroe as a private limited company will therefore significantly reduce the liquidity and marketability of any Faroe Shares not assented to the Final Offer.

Unless otherwise stated, terms used in this announcement have the same meanings as given to them in the Final Offer Document.

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Further information

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