



www.oljan.fo

Jan Müller

01 - 01 - 2013

Faroe Petroleum improves future credit facility

Faroe Petroleum has reached an agreement with financial institutions, which will see a substantial improvement for their future activities. More financing The activities of this small independent oil and gas company, are mainly concentrated around exploration, evaluation and production options on the Atlantic Margin area, the North Sea and Norway. The company has now announced that it has succeeded in signing new increased bank lending facilities, which will much improve the company growth intentions. The new lending option will now double to app. GBP 110.000.000.- The increased fiscal framework will support the existing company activity in Norwegian waters, which together with the reimbursement from the Norwegian State through their hydrocarbon taxation legislation, will see an increase in company cash flow. Secure foundation The original loan period has been extended by one year to the 31st of December 2015. All of the companys seven banks; BNP Paribas, Lloyds TSB Bank plc., Commonwealth Bank of Australia ASA, Royal Bank of Scotland plc., SEB and SR Bank are involved with the increase in the lending facility. Together with the companys excellent equity and cash flow from their producing units; Blane, Brage, Njord and the Ring Horne East fields, this means that the company is financially securely anchored, when commencing upon their future plans. Praise In a comment to the new lending facility, the company fiscal manager, Mr Iain Lanaghan said - -We are very pleased with this new financial framework, which together with other lending facilities double our equity ability for 2012. We continually feel trust expressed by our banks, who all participated in this round. This is a clap on the shoulder for our company, its future plans and the values within the company. Together with our new cash flow from our production, these new financial opportunities will much improve our competence and expand the