



5 June 2014

Chariot Oil & Gas Limited

AGM Statement and Operational Update

Chariot Oil & Gas Limited (AIM: CHAR), the Atlantic margin focused oil and gas exploration company, will be holding its Annual General Meeting at 10.00 today at The Priestly Room, The Chemistry Centre, Burlington House, Piccadilly, London W1J 0BA London.

Larry Bottomley, Chief Executive Officer, will give a brief presentation covering the topics outlined below which is also available on the Company website (www.chariotoilandgas.com). There will be no new material information disclosed.

Chariot has continued to mature its portfolio over the past 12 months. Whilst our primary goal of creating transformational value is unchanged, we have also made some important improvements to both our strategy and the positioning of our business.

We have continued to expedite our exploration programmes, sought and secured industry partners to share in the risk and capital requirements of exploration and actively managed our portfolio through licence extensions and acquisitions. This has enabled us to grow the business with a longer term horizon and we now have a portfolio that provides exposure to giant potential in four regions of the Atlantic margins with a pipeline of drilling opportunities over the coming years.

As our portfolio has broadened we have been able to diversify our risk, build sustainability into our business plan and shift our strategy to become a fast-follower rather than a play opener. As part of this diversification we have sought to use information from third-party data as well as our own to manage risks at minimal cost. These activities serve to enhance the technical basis of our portfolio, further our understanding of the petroleum systems and help prioritise exploration targets. Holding acreage in close proximity to super majors, majors and large independents also underscores the high potential of our licence areas and provides multiple external potential value triggers - up to 15 wells are scheduled to be drilled in our regions of interest in the next two years.

Rigorous capital discipline is a core part of our focus on risk management and a key element of this has been the adoption of a two-tiered partnering process. Early stage entry into our acreage has enabled us to secure large, operated positions in emerging areas of interest. We then add value by applying our skills and technical capability prior to securing partners to share in the forward work programme, ensuring that we retain material equity stakes that appropriately balance the ongoing risk and reward. This levered strategy provides funds and also important external validation of our assets.

This capital discipline has not reduced our exploration efforts, and during the course of 2013 we invested a significant amount across the portfolio with a spend of US\$37.6m – although having successfully farmed-out Mauritania our cash balance was only reduced by US\$11.6m. This spend included the reprocessing and interpretation of 11,000km of legacy 2D data in Morocco, completion of the seismic acquisition and processing of 3,500km² of 3D data offshore Mauritania, the planning and completion of the 2D seismic programme across 2714B in Namibia, the acquisition of our Brazilian acreage and the commencement of the Environmental Impact Assessment there. From these work programmes, we have identified over 2 billion barrels of gross mean prospective resources and prioritised key targets within all our licence areas, be it for potential drilling or as seismic targets for further definition. As well as completing the farm-out to

Cairn in Mauritania, the partnering process continues in Namibia, Morocco and has now commenced in Brazil.

As previously announced, we ended last year with a cash balance of \$US56.7 million. During the course of 2014 we have a budgeted spend of US\$33 million, with the following activity planned in each region.

In Morocco, we will interpret the recently acquired 3D seismic data to define targets for drilling and identify follow-on potential within the licences. We also aim to determine a potential drilling location on the giant carbonate prospect identified within the Rabat Deep licence in order to, subject to partnering, drill here in 2015. A dataroom process has been initiated across our Moroccan acreage and we will update the market with progress on this as appropriate. In addition, more than 10 wells are due to be drilled by other parties to test the Pliocene, Jurassic and Early Cretaceous plays offshore Morocco during the next two years, the 3 play types identified within Chariot acreage. Whilst the information that Chariot can glean from these outcomes will not necessarily directly impact the prospectivity of our acreage, it will provide important detail to ensure that we optimise our drilling decisions.

In Mauritania, the partnership is still working hard to complete the 3D interpretation with the intention of maturing drill ready targets, which is now anticipated for Q3 2014. Following this, we will initiate a partnering process to help fund a well. Recent drilling offshore Mauritania has been reported to open up a new basin play within the region, which Chariot will use to inform its interpretation of its proprietary 3D seismic data. Whilst some third party follow-on wells in the region have been postponed to next year, we still expect additional wells in the near to medium term to target the slope fan, stratigraphic trap and turbidite channel plays offshore Mauritania which will provide further information prior to our testing of these plays through the drill bit.

In Namibia, on the Central blocks, which are drill ready, the partnering process continues and an update will be provided as appropriate.

In the South, the Company is also in a process on Block 2714A and the market will be updated as this progresses. In Block 2714B, Chariot is focused on the oil prone leads identified in the shallower petroleum system and has already fulfilled all of its commitments on this licence. The Company is currently analysing the recently acquired 2D data in order to identify the optimum location for a 3D seismic campaign and will open a dataroom following this evaluation in order to secure a partner for this investment phase.

As previously detailed, the Northern Blocks remain drill ready and we await third party drilling results, due in Q3 2014, prior to deciding our forward plan for the block. This well is testing the deeper petroleum system in the Walvis basin and will provide important read through information on the potential for long range hydrocarbon migration to the Zamba prospect.

In Brazil, we will complete the EIA work during the course of this year and look to carry out the 3D seismic in 2015 with a partner, the process of which was initiated this month. 8,000km² of 3D seismic data and 10 wells (one immediately adjacent to our acreage) will be acquired and drilled in the next four years in the Barreirinhas Basin, once again, exemplifying Chariot's success in acquiring large equity positions in frontier regions as a fast follower.

While Chariot remains a small, nimble independent explorer, we have now assembled a large-scale portfolio and have built a solid platform with a variety of mid and near-term valuation events. We have capitalised on our technical and geological capabilities, which has allowed us to undertake all the geotechnical data interpretation in-house and to run our own data rooms. This approach not only provides a solid basis for growth, but also allows us to manage costs and keep full control over investment decisions.

Concurrent to all this activity, our new ventures process will be re-initiated in Q4 2014 and, whilst our focus this year is on expediting the current work programmes and partnering across the portfolio, we see new ventures as an important part of sustaining our business model and creating value over the longer term.

We would like to thank our shareholders for their continued support. The coming year will deliver further progress across our asset base as we describe, de-risk and move towards drilling of priority prospects. We

believe that Chariot offers an investment case with transformational potential and we continue to work hard towards realising our goal of discovering material accumulations of hydrocarbons.

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NOTES TO EDITORS

About Chariot

Chariot Oil & Gas Limited is an independent oil and gas exploration group. It holds licences covering eight blocks in Namibia, one block in Mauritania, three blocks in Morocco and four licences in the Barreirinhas Basin offshore Brazil. All of these blocks are currently in the exploration phase.

The ordinary shares of Chariot Oil & Gas Limited are admitted to trading on the AIM Market of the London Stock Exchange under the symbol 'CHAR'.