



13 January 2011

Chariot Oil & Gas Limited

("Chariot", the "Company" or the "Group")

Resource Update

Increase of 3.1 billion barrels to a new total of 13.2 billion barrels of Gross Unrisked Mean Prospective Resources

Mega Structure Identified

Chariot Oil & Gas Limited (AIM: CHAR), the Africa focused oil and gas exploration company, is pleased to announce an increase of a further 3.1 billion barrels in its estimate of gross unrisked mean prospective resources in its Southern licence 2714A offshore Namibia. Further technical work undertaken on the 3D seismic data acquired across this block, in which Chariot has a 50% interest, has identified additional resources within a single 'mega-structure' and significantly increased the estimated chance of success on this primary prospect from 16% to 20%. Chariot's gross mean unrisked prospective resource volume now totals 13.2 billion bbls (9.7 billion bbls net to Chariot).

This technical work, which included remapping and seismic attribute analysis, was undertaken subsequent to the updated resource statement released on the 6 September 2010 which announced an increase in gross mean unrisked prospective resources to 10.1 billion barrels and a prospect and lead inventory of 11 prospects and 6 leads. These figures were verified by the independent assessment of Netherland Sewell & Associates Inc. in its Competent Persons Report, announced on 28 October 2010.

The further increase in prospective resource volume has been identified in a single very large structural prospect in the Southern acreage. This 'mega-structure', some 500 km² in area, lies wholly within the 3D seismic area and displays seismic attributes, including Amplitude Versus Offset ("AVO") anomalies, that are indicative of a hydrocarbon charge in what is believed to be a Lower Cretaceous deltaic sandstone reservoir. The robust geological interpretation (sealed reservoir within a large structural closure surrounded by a mapped potential charge kitchen) suggests the AVO anomaly is valid and has justified an increase in the estimated chance of success to 20% for this 'mega-structure'. Chariot continues to evaluate other plays in the block, particularly deeper Barremian targets, equivalent to the reservoir level of the Kudu field, where additional AVO anomalies are indicated. Additionally, further evaluation is ongoing in Chariot's Northern acreage with a technical update on these areas to be included in future announcements.

Paul Welch, CEO of Chariot commented, *"Our portfolio continues to develop in an extremely positive way, with our technical work providing further insight and understanding of the prospectivity of our licence areas. We are very pleased with this further increase in resource volumes, the identification of a mega structure and the resultant de-risking. These findings continue to underscore the world-class potential we believe is held within our licence areas."*

Region	Status	Probabilistic Volume Method (Monte Carlo Simulation)	Gross attributable to Licence in MMboe				Net attributable to Group MMboe				Risk Factor *** (%)	Working Interest (%)	Operator
			Low Estimate	Best Estimate	High Estimate		Low Estimate	Best Estimate	High Estimate				
			P90	P50	P10	Mean	P90	P50	P10	Mean			
North	Prospect	Tapir N	166	278	451	294	166	278	451	294	14%	100%	Enigma
North	Prospect	Tapir	89	139	211	146	89	139	211	146	14%	100%	Enigma
North	Prospect	Tapir S	122	190	277	196	122	190	277	196	14%	100%	Enigma
North	Lead	Tapir NE	180	296	449	306	180	296	449	306	12%	100%	Enigma
North	Prospect	Tapir S Fan	83	175	319	190	83	175	319	190	12%	100%	Enigma
North	Prospect	Zamba N	53	91	141	95	53	91	141	95	12%	100%	Enigma
North	Lead	Zamba	350	667	1,145	713	350	667	1,145	713	15%	100%	Enigma
		Total Northern Block Oil*	1,043	1,836	2,993	1,940	1,043	1,836	2,993	1,940		100%	Enigma
South	Prospect	A Structural	126	215	339	225	63	108	170	113	16%	50%	Enigma
South	Prospect	B Structural	197	301	448	313	99	151	224	157	16%	50%	Enigma
South	Prospect	C Structural	149	326	620	361	75	163	310	181	16%	50%	Enigma
South	Lead	C Stratigraphic	321	942	2,153	1,118	161	471	1,077	559	12%	50%	Enigma
South	Prospect	Nimrod Albian Structural Oil	2,299	3,629	5,321	3,736	1,150	1,815	2,661	1,868	20%	50%	Enigma
South	Prospect	G Barremian Structural	95	172	289	184	48	86	144	92	16%	50%	Enigma
South	Prospect	H Barremian Structural	273	450	714	475	137	225	357	238	16%	50%	Enigma
South	Prospect	K Structural	248	518	979	571	124	259	490	286	16%	50%	Enigma
		Total Southern Block Oil*	3,708	6,553	10,863	6,983	1,854	3,277	5,431	3,491		50%	Enigma
Central	Lead	Klipspringer	587	1,772	3,916	2,055	587	1,772	3,916	2,055	7%	100%	Enigma
Central	Lead	Hartebeest	502	1,489	3,287	1,720	502	1,489	3,287	1,720	7%	100%	Enigma
Central	Lead	Oryx	157	467	1,025	543	157	467	1,025	543	6%	100%	Enigma
		Total Central Block Oil*	1,246	3,728	8,228	4,318	1,246	3,728	8,228	4,318		100%	Enigma
Namibia		Total Northern, Central and Southern**	5,997	12,117	22,084	13,241	4,143	8,841	16,652	9,749			Enigma

This table of unrisked prospective resources is as determined by Netherland, Sewell & Associates, Inc. dated 28th October 2010 together with updated volumes and risk factors for the Nimrod Albian Structural prospect based on DHIs as determined by Chariot. The G and H Barremian prospects which underly the Albian Nimrod prospect are unchanged (NSAI figures).

* Total resource numbers are arithmetically summed in accordance with SPE 2007 PRMS guidelines; therefore, these totals do not include the portfolio effect that might result from statistical aggregation.

** Many of the prospects and leads in the Northern and Southern blocks have multiple horizons with independent chances of success. The stated risk factors; however, are consistent with the given volumes.

QUALIFIED PERSON

Martin Richards, Chariot's Chief Reservoir Engineer, is the qualified person for the purpose of this release. Martin has worked in the oil and gas industry for over 30 years and has an in-depth experience of all aspects of subsurface management, reservoir engineering and petroleum economics. He has an MA in Physics from Oxford University, an MSc in Geophysics and Planetary Physics from Newcastle University and an MEng in Petroleum Engineering from Heriot-Watt University. He has read and approved the technical disclosures in this announcement.

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NOTES TO EDITORS

About Chariot

Chariot Oil & Gas Limited is an independent oil and gas exploration group. The Group currently holds licences covering eight blocks in Namibia, through its wholly owned subsidiary Enigma Oil & Gas (Pty) Limited, all of which are offshore. All of these blocks are currently in the exploration phase.

Shares in Chariot Oil & Gas limited are admitted to trading on the AIM Market of the London Stock Exchange under the symbol 'CHAR'.

Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.