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Chariot Oil & Gas Limited

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

Resource Update

Increase of 1.5 billion barrels to a new total of 15.46 billion barrels of gross mean unrisks prospective resources

Chariot Oil & Gas Limited (AIM: CHAR), the Africa focused oil and gas exploration company, is pleased to announce an increase of a further 1.5 billion barrels ('Bbbls') in its estimate of gross mean unrisks prospective resources from its Southern licence 2714A offshore Namibia. The total gross mean unrisks prospective resource estimate now stands at 15.46 Bbbls (11.2 Bbbls net to Chariot). 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 4 new prospects and has increased the gross mean unrisks prospective resource volume in the Nimrod prospect by a further 833 million barrels, to a total of 4.6 Bbbls. Nimrod will be the first well to be drilled in the Southern licence - anticipated to commence in early 2012. The Tapir North prospect in the Northern licence is still scheduled to be drilled in Q4 of this year.

This latest technical work, which included remapping of the Nimrod prospect using updated seismic attribute analysis, together with mapping of deeper target horizons, has also led to the further development of the prospect inventory – now comprising of 16 prospects and 5 leads across all blocks.

At the Albian target level, new prospects D & L have been mapped. For the deeper horizons, C stratigraphic has been renamed Dora and is now a prospect and Isabel and Mary are additional prospects of Barremian age.

The risking of prospects in the Southern licence area has also been revised based on the updated seismic attribute analysis. The presence of Direct Hydrocarbon Indicators ('DHIs') on Nimrod and other prospects of Albian age has increased the Chance of Success on these prospects. This work has raised the Chance of Success for Nimrod from 20% to 25%. However, in prospects where DHIs are not present the Chance of Success has been reduced. DHIs are not expected to be seen in the deeper targets, hence the more conservative risking of these prospects.

The Company has commissioned a further independent CPR on the new resource estimates which will be conducted by Netherland Sewell & Associates Inc. following their previous verification in October 2010. The results of this will be announced on completion of the report which is anticipated to be in Q3 of 2011.

Paul Welch, CEO of Chariot, commented: *"This increase in resources is a further indication of the huge potential of our assets and the updated prospect inventory provides us with additional drill ready targets. Whilst we anticipate Nimrod to be the first well spudded in this licence, we look forward to continuing our drilling campaign further into the future with these new prospective targets. We now have multiple play types and also multiple objective horizons within our acreage which adds to the potential whilst diversifying the risk."*

“With regard to our farm-out activities, this process remains on course – whilst it has taken us longer than anticipated, discussions are at an advanced stage and we will update the market with news as soon as we can.”

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	Mean	Low Estimate	Best Estimate	High Estimate	Mean			
			P90	P50	P10	Mean	P90	P50	P10	Mean			
North	Prospect	Tapir N	292	576	1,684	883	292	576	1,684	883	23%	100%	Enigma
North	Prospect	Tapir	177	243	326	248	177	243	326	248	23%	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*	1,257	2,238	4,341	2,631	1,257	2,238	4,341	2,631		100%	Enigma
South	Prospect	Nimrod (Albian)	2,117	4,505	7,084	4,569	1,059	2,253	3,542	2,285	25%	50%	Enigma
South	Prospect	A (Albian)	73	126	195	131	36	63	98	66	7%	50%	Enigma
South	Prospect	B (Albian+Barremian)	95	165	257	171	47	82	128	85	20%	50%	Enigma
South	Prospect	C (Albian+BDO)	300	484	725	501	150	242	363	250	9%	50%	Enigma
South	Prospect	D (Albian)	31	54	84	56	16	27	42	28	8%	50%	Enigma
South	Prospect	G (Barremian)	178	325	555	349	89	163	278	175	15%	50%	Enigma
South	Prospect	K (Syn-Rift)	503	812	1,250	851	252	406	625	426	12%	50%	Enigma
South	Prospect	L (Albian)	104	180	277	187	52	90	139	93	13%	50%	Enigma
South	Prospect	Isabel (BDO)	122	186	267	191	61	93	134	96	14%	50%	Enigma
South	Prospect	Mary (BDO)	246	374	539	385	123	187	270	193	14%	50%	Enigma
South	Prospect	Dora (BDO)	467	979	1,950	1,117	234	490	975	559	14%	50%	Enigma
		Total Southern Block Oil*	4,236	8,190	13,182	8,507	2,118	4,095	6,591	4,253		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**	6,739	14,156	25,751	15,456	4,621	10,061	19,160	11,202			Enigma

This table of unrisks prospective resources is as determined by Netherland, Sewell & Associates, Inc. dated 28th October 2010 together with updated volumes and risk factors for the 2714a prospects based on DHIs as determined by Chariot.

This Table also includes the prospective resource additions announced previously for the Tapir N and Tapir prospects, based on the identification of addition volumes at Paleogene level. The results of seismic attribute analysis also de-risk these prospects resulting in an improved chance of finding hydrocarbons.

*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.*

"BDO" is Base Drift Onlap horizon of Barremian age or older

QUALIFIED PERSON

Martin Richards, Chariot's Development Engineering Manager, 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.