



16 August 2010

**Chariot Oil & Gas Limited
(‘Chariot’, ‘the Company’ or ‘the Group’)**

Approval to move to First Renewal Phase

Chariot Oil & Gas Limited (AIM: CHAR), the Africa focused oil and gas exploration company, is pleased to announce that its wholly owned subsidiary, Enigma Oil & Gas Exploration (Pty) Limited, has received formal approval from the Ministry of Mines and Energy in Namibia to enter the First Renewal Phase for its Northern Blocks, 1811 A&B, and Southern Block, 2714 B, offshore Namibia. The First Renewal Phase will take effect from 27 October 2010 until 26 October 2012.

In order to move into the next phases of the 1811A&B and 2714B licences, Chariot has agreed the following work programmes over the next two years:

1811 A&B: To perform 3D seismic interpretations, economic evaluation, determine well location and design, and subsequently rig procurement, for a minimum exploration spend of US\$11MM.

2714 B: To perform 3D seismic interpretation, economic evaluation, determine well location and design, and subsequently rig procurement, for a minimum exploration spend of US\$11MM.

Chariot significantly exceeded its Initial Exploration Phase commitments on these licences through its aggressive acquisition of large 3D seismic datasets. As a result, the well commitments in the First Renewal Phase have been waived by the Namibian government. However, Chariot fully intends to continue its aggressive exploration programme in these blocks and it remains Chariot’s objective to drill as soon as possible. As previously announced, Chariot has a dataroom open in its London offices soliciting partner interest for the blocks within its portfolio. The Company expects to announce additional details about this farm-out process later this year.

As a requirement of moving into this First Renewal Phase, Chariot will relinquish 50% of the acreage within each of the licences in the Northern Blocks and the Southern Block as held throughout the Initial Exploration Phase. The initial 2D seismic programme highlighted the primary areas of interest in the blocks which were then covered by 3D seismic. The areas of less geologic significance will be handed back to the government. The total acreage for all eight blocks held by the Company will stand at 30,503 km² (from 38,725 km² previously) and the unrisks gross prospective resources for Chariot’s prospect and lead inventory remains unchanged at 8.5 billion bbls.

Paul Welch, CEO commented, “This is a further step forward for us and we are very pleased to have received this approval so quickly after lodging our application to enter this next phase. Our work programmes as detailed above will commence in earnest immediately as we continue to expedite our exploration activities in these blocks. We have been commended by the Ministry for our commitment and expenditure across all our assets and look forward to reporting on further progress in due course.”

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NOTES TO EDITORS

About Chariot

Chariot Oil & Gas Limited (www.chariotoilandgas.com) is an independent oil and gas exploration group. The Group currently holds licences covering eight blocks in Namibia, 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'.