



1 September 2008

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

Pre-Close Update

Chariot Oil & Gas Limited, an independent oil and gas exploration group focused on exploration of the South Atlantic margins, specifically Namibia, today gives the following pre-close period update on its business activities:

The Group continues to explore the potential resources within its Namibian blocks to obtain further data to expand upon and mature the prospect and lead inventory that had been identified to date.

Reprocessing and mapping are almost complete on the existing 2d seismic database, in the Northern blocks. The results have allowed definition and quantification of a series of new structural leads in the Upper and Lower Cretaceous sequences. Some of these present direct hydrocarbon indications (e.g. flat spots). Such findings have encouraged Chariot to almost double its planned initial seismic acquisition 3d program in the Northern 1811A and 1811B blocks.

A comprehensive tender package has been generated and sent out to a number of seismic acquisition companies in order to commence a detailed 2d and 3d seismic acquisition campaign in Chariot's offshore blocks. Once a preferred bidder(s) has been selected, the acquisition of 3000km² (plus the option of a further 1500km²) of 3d and 3000km of 2d seismic is expected to commence during the last quarter of 2008. An aeromagnetic acquisition program of 31,115km over the onshore blocks has also been recently completed.

Having raised in excess of the minimum funding requirement through the placing and IPO, the Group has been able to both increase the work program and begin to actively pursue new exploration and production opportunities in line with Chariot's stated strategy.

The Group stated at the time of listing that preliminary discussions were underway with a potential farm-out partner. These discussions continue and the Group will provide updates on further progress in due course.

Kevin Broger, CEO of Chariot commented: "We continue to advance progress with our existing exploration blocks and are also looking to further develop the Company's asset base in line with our strategic objectives. We have also noted the recent reports from the Kunene well to the north of our acreage offshore Namibia. These reported hydrocarbon indications are encouraging in that they demonstrate the presence of an active petroleum system in the previously undrilled Namibe basin – not only does this endorse our own views about the potential for this region, but it also adds credibility to our preliminary research findings conducted by HRT.

We remain confident of our prospects in Namibia and look forward to reporting on these developments further in our interims which are due out in November."

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NOTES TO EDITORS

Chariot Oil & Gas Limited (www.chariotoilandgas.com) is an independent oil and gas exploration group, focused on the South Atlantic margins, specifically Namibia, using state of the art technology for offshore exploration.

The Group currently holds licences covering ten blocks in Namibia, through its 100% wholly owned subsidiary Enigma which is the operator. Eight of these blocks are offshore and two are onshore. All of these blocks are currently in the exploration phase. In order to progress such exploration, the Group has engaged the services of a global petroleum system specialist, High Resolution Technology & Petroleum Ltda ("HRT") as the Group's independent technical consultant. HRT has extensive experience of the application of deep water technologies in the discovery of new oil and gas fields from its prior work on the South Atlantic margins (primarily in Brazil but also in western Africa). HRT has developed specialist technologies which have previously led to large discoveries offshore Brazil and these are being applied to the Group's blocks. The exploration focus to date has been to use this expertise and state of the art technology to build a basin model for Namibia.

Shares in Chariot Oil & Gas limited were admitted to the London Stock Exchange (AIM) on 19 May 2008, under the symbol 'CHAR'.

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