



**7 September 2009**

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

**General Meeting Statement**

Chariot, an independent oil and gas exploration group, today holds its General Meeting at the registered office in Guernsey at 15.00pm where Peter Kidney, Chairman, will make the following statement:

Ladies & Gentlemen,

I’m pleased to report on Chariot’s progress since listing in May 2008 at today’s General Meeting and also to lay out our plans for the coming year.

The past year has seen your Company make considerable progress fulfilling a number of key objectives and advancing our exploration efforts across our portfolio of licences offshore Namibia. Despite significant changes in the world economy and subsequent fluctuations in oil prices, we remain focused on enhancing and developing our portfolio and driving the Company forward.

Namibia is an underexplored frontier from an oil and gas perspective, but is, in our opinion, a highly prospective area to explore due to the geological similarities to other petroliferous provinces and our findings to date.

We are delighted to have such a highly experienced partner in Petrobras working with us in block 2714A. The decision by Petrobras to invest in our block and also Namibia as a ‘new country’ for them was a strong endorsement of our belief in the geological potential of offshore Namibia.

A major part of our exploration effort, and budget, over the past year has been to conduct extensive seismic acquisition programmes across all of our offshore blocks. We acquired 900km<sup>2</sup> and 1,500km<sup>2</sup> of 3D in the North and South of offshore Namibia respectively and 3,000km of 2D in the Central licences. This data is currently being supplemented by a further 1,500km<sup>2</sup> 3D survey which is underway on Block 2714A in the South in collaboration with our partner Petrobras. The recently announced hydrocarbon shows in the Kunene well provides further evidence of the potential of our Northern blocks. Based on the results of geochemical analysis we still believe these blocks contain oil rather than gas.

Following the interpretation of the newly acquired 2D data in the Central Blocks we anticipate that structures will be mapped and potential resources evaluated early next year. A first review of seismic data looks promising.

The key objective of our seismic surveys is to further define the large geological structures initially identified in the Northern and Southern licences. To date, one prospect and twenty two leads have been identified in these blocks (four further prospects created by stacking leads), from which gross mean prospective resources of 5.24 billion barrels of oil equivalent (4.09 billion barrels net to Chariot) have been calculated. Processing of the data from the completed programmes is underway with the Pre-Stack Time Migration (“PSTM”) and Pre-Stack Depth Migration (“PSDM”) of the 3D data on the Northern blocks expected to be finished in November

2009. PSTM of the 2D has been completed and Quality Control is currently selecting 500km for further PSDM.

We expect that the processing and interpretation of this new data will confirm the inventory mapped so far, identify additional areas of potential and, in the case of the 3D information, enable the Company to identify the best locations for a possible drilling campaign.

As well as developing our existing prospect and lead inventory, a cornerstone of Chariot's development strategy continues to be mitigating exploration risk through partnering with international oil companies that have the capabilities to undertake deepwater exploration. The recent rise in the oil price to circa USD 70 per barrel, coupled with the technical advances made during the development of deepwater oilfields in the Gulf of Mexico and offshore Brazil in recent years, provide attractive economics for the exploration and development of multi-billion barrel oil fields in those environments.

Our seismic work is key to progressing Chariot's strategy of farming out interests. We look forward to re-opening a dataroom following the processing of this newly acquired data and will be following up on the expressions of interest previously received from major international oil companies.

I can report today that the Company has received official approval from the Ministry to relinquish the onshore licence in the Nama Basin, Namibia. As announced in the 2008 Annual Report, results of initial exploration work on these Blocks indicated a reduced potential for the area and no further work was undertaken pending a final evaluation. No prospective resources were attributed to these Blocks and the impairment of the exploration costs were fully provided in the last financial statements.

Chariot currently retains substantial cash balances, of USD 19.2m, with a further USD 8.0m receivable from Petrobras, that are more than adequate to finance our current exploration commitments and provide the Company with the capability to evaluate production, near term production and other exploration opportunities in order to balance our portfolio of assets. We will continue to evaluate the potential of our exploration portfolio with a view to enhancing the value of the assets.

As noted in our press release on the 3<sup>rd</sup> August, technical consultants HRT Petroleum Ltda commenced arbitration proceedings against our wholly owned subsidiary Enigma Oil & Gas Exploration (Pty) Limited claiming damages including approximately USD 11 million from Enigma for termination of the services agreement and for unpaid invoices. As stated, Enigma will vigorously defend HRT's claim on the grounds that HRT has not properly performed its obligations under the services agreement and will be bringing substantial counterclaims against HRT on account of their various breaches. Enigma welcomes the opportunity to present its case to arbitration in order to bring these matters to an end.

In conclusion, the Chariot picture is one of prospectivity, development and progression and we will continue to focus on our stated aims and objectives. We look forward to an exciting year ahead.

Peter Kidney

Chairman

- Ends -

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## **NOTES TO EDITORS**

### **About Chariot**

Chariot Oil & Gas Limited ([www.chariotoilandgas.com](http://www.chariotoilandgas.com)) is an independent oil and gas exploration group. The Group currently holds licences covering eight Blocks offshore Namibia. 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'.

### **Other**

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