Chariot Oil & Gas Limited
(“Chariot”, the “Company” or the “Group”)

Operational Update

Rabat Deep Offshore, Morocco

- Drilling Rig Saipem 12000 secured
- Drilling to occur shortly after its arrival on location in late Q1 2018

Chariot Oil & Gas Limited (AIM: CHAR), the Atlantic margins focused oil and gas exploration company, announces the assignment of a drilling rig for its upcoming RD-1 well which will target the JP-1 prospect.

**Saipem 12000 Drilling Rig**
Eni, the operator of the Rabat Deep Offshore licence (Eni 40%, Woodside 25%, ONHYM 25%, Chariot 10%), has secured the Saipem 12000, a sixth generation ultra-deepwater drillship, for a drilling programme to include a one-well drilling slot in Rabat Deep Offshore in Morocco. It is currently anticipated that the rig will arrive on location in the latter part of Q1 2018 and that the drilling of the RD-1 well on the JP-1 prospect will commence shortly thereafter.

**The JP-1 Prospect**
The JP-1 prospect is a large, four-way dip closed structure of approximately 200 square km areal extent, with Jurassic carbonate primary reservoir objectives and an independently audited gross mean prospective resource estimate of 768mmbbls. As previously detailed in the announcement of 9 January 2017, Eni partnered with Chariot in return for a capped carry on the drilling of the JP-1 prospect as well as a carry on other geological and administrative costs relating to Rabat Deep Offshore and a recovery of Chariot’s investment prior to farm-out.

Larry Bottomley, CEO commented:

“We are pleased to see Eni progress operations on the Rabat Deep Offshore acreage and secure the high-performance Saipem 12000 drillship to drill the JP-1 prospect, one of Chariot’s priority targets.

JP-1 has the potential to create transformational value in the success case due to the large scale prospective resources, excellent commercial contract terms and robust economics. Success will also materially de-risk other targets we have identified within our neighbouring Mohammedia and Kenitra permits in which Chariot holds a 75% interest.”

This announcement contains inside information for the purposes of Article 7 of Regulation 596/2014.

For further information please contact:

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Larry Bottomley, CEO

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NOTES TO EDITORS

ABOUT CHARIOT
Chariot Oil & Gas Limited is an independent oil and gas exploration group. It holds licences covering two blocks in Namibia, three blocks in Morocco and four blocks in the Barreirinhas Basin offshore Brazil. All of these blocks are currently in the exploration phase.

The ordinary shares of Chariot Oil & Gas Limited are admitted to trading on the AIM Market of the London Stock Exchange under the symbol ‘CHAR’.

ABOUT SAIPEM
Saipem is one of the global leaders in drilling services, as well as in the engineering, procurement, construction and installation of pipelines and complex projects, onshore and offshore, in the oil & gas industry. Saipem has distinctive competences in operations in harsh environments, remote areas and deepwater.

ABOUT SAIPEM 12000 DRILLING RIG
Saipem 12000 is a 6th generation ultra deepwater drillship designed by Samsung and built by Samsung Heavy Industries in 2010. It has a variable deck load of 20,000t, four NOV knuckle boom cranes, a helideck and crew facilities to accommodate 200 people in living quarters. For further information: http://www.saipem.com/SAIPEM_en_IT/scheda/Vessels/Saipem+12000.page

ABOUT RABAT DEEP
The Rabat Deep Offshore licence area is located approximately 30km offshore in water depths ranging from 150m to 3,500m. In July 2014 Chariot announced the successful farm-out of Rabat Deep to Australia’s largest independent E&P company, Woodside, who took up a 25% working interest in the licence in return for paying all back costs and some additional future technical work.

On 30 March 2016, Chariot entered into a farm-out agreement with Eni who acquired operatorship and a 40% working interest in Rabat Deep. In return for this equity transfer, Chariot benefits from a carry to an agreed cap above estimated drilling costs on the JP-1 prospect, a carry for other geological and administrative costs relating to work commitments in the next licence period and a contribution which equated to Chariot's investment to date.

ABOUT JP-1 PROSPECT
The JP-1 prospect is a large (>200km²), faulted, four-way dip closure located in water depths ranging from 1,000m to 1,400m, and lies adjacent to the predicted mature Lower Jurassic source kitchens. This large trap was first identified on reprocessed legacy 2D seismic data and subsequent proprietary 3D seismic data improved confidence in the trap, its reservoir potential and the recognition of secondary targets that overlie the main objective. This work was supplemented by a geochemical coring programme which provided further evidence for a working petroleum system. We believe that the farm-in of two major industry players at each investment phase has validated the prospectivity identified by Chariot’s in-house team.

Our Rabat Deep portfolio contains a further six Jurassic leads. Success in JP-1 would materially de-risk this prospectivity and offer significant follow-on exploration potential in the neighbouring Mohammedia and Kenitra areas for which Chariot secured exploration permits in June 2016 and February 2017 respectively.