



3 April 2019

Chariot Oil & Gas Limited

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

Award of Lixus Offshore Licence, Morocco

Rebalancing the Chariot portfolio for sustainable growth & value creation

Chariot Oil & Gas Limited (AIM: CHAR), the Atlantic margins focused oil and gas company, is pleased to announce that its wholly owned subsidiary, Chariot Oil & Gas Holdings (Morocco) Limited, has been awarded a 75% interest and operatorship of the Lixus Offshore Licence ("Lixus"), Morocco, in partnership with the Office National des Hydrocarbures et des Mines ("ONHYM") which holds a 25% carried interest.

Lixus Offshore Licence, 30km north of Chariot's existing Moroccan acreage, contains:

- **Anchois-1 well gas discovery - 307 Bcf of 2C contingent resources offering near-term development opportunity**
- **Deeper potential not penetrated by the Anchois-1 well of 116 Bcf 2U prospective resource has also been identified**
- **Material tie-back opportunities from low risk, exploration prospects offer an attractive upside of 527 Bcf of 2U prospective resources in satellite prospects adjacent to the Anchois discovery**
- **Additional on-block exploration running room in licence**
- **World-class commercial contract terms with high gas prices in a developing market with growing energy demand offers a potentially high-value project**
- **Minimal initial licence commitment funded from current cash**
- **Future development anticipated to deliver strong returns and significant cash flow**

Lixus licence covers an area of approximately 2,390km², 30km north of Chariot's existing Moroccan acreage, with water depths ranging from the coastline to 850m. The area has been subject to earlier exploration with legacy 3D seismic data covering approximately 1,425km² and 4 exploration wells, including the Anchois gas discovery.

The Anchois-1 well was drilled in 2009 in 388m water depth some 40km from the coast and encountered an estimated net gas pay of 55m in two sands with average porosities ranging from 25% to 28%. A new independent audit of this discovery by Netherland Sewell and Associates Inc. ("NSAI") estimates a 2C

contingent resource of 307Bcf. A deeper target not penetrated by the well has 2U prospective resources estimated by NSAI of 116Bcf, with the Anchois discovery containing a remaining recoverable resource of 423 Bcf.

The Anchois discovery is in Tertiary-aged turbidite reservoirs that occur above a nappe emplaced during the Alpine orogeny and the pay sands have a characteristic and anomalous seismic signature. The Company has identified five satellite prospects to Anchois that have tie-back potential, three of which have been audited by NSAI, and Chariot estimate that Anchois and the satellites holding remaining recoverable resources in excess of 900 Bcf.

An additional five prospects have been identified in Lixus in similar geological settings as Anchois but currently without the appropriately conditioned 3D seismic data to confirm comparable anomalous seismic signature, and these prospects have gross mean prospective resources ranging from 66 Bcf to 330Bcf, as estimated by the Company. Seismic reprocessing will be undertaken to reduce the risk for these additional prospects. NSAI will be preparing a Competent Persons Report on these prospects and on Anchois N and Anchois NW. Chariot is also evaluating leads identified in the section below the Nappe which has the potential for giant scale prospective resources.

The excellent quality reservoirs in the Anchois discovery offers the potential for high rate wells and the consequent possibility of a low-cost development. In combination with excellent commercial contract terms in a country with high gas prices in a developing market and growing energy demand, the Anchois discovery offers the potential for a material, high-value project. The low risk prospect inventory offers running room with additional, low-cost tie-back opportunities.

The initial licence commitment, for which the Company is fully funded, includes a technical programme of 3D seismic reprocessing and evaluation to access the additional exploration potential of Lixus. Chariot will also further evaluate the gas market, test development concepts through a feasibility study and seek strategic partnerships and alliances to progress towards a development of the Anchois discovery.

Larry Bottomley, CEO commented:

"The award of the Lixus licence provides Chariot with a discovered resource base offering a low-cost development opportunity and significant upside. The commercial attractiveness of the Lixus licence is further enhanced by its position offshore Morocco, a fast growing energy market with high gas prices and a need for increased supply. In addition to the development opportunity, the licence offers very low risk exploration tie-back potential in the same play; and higher risk, transformational lead potential in the sub-nappe.

Our understanding of the Anchois discovery developed when, following the results from the geochemical analysis of the hydrocarbons sampled in the Rabat Deep-1 well, the Company investigated nearby wells as part of a technical review of thermogenic hydrocarbons in the region. This insight into the geology of the surrounding area has enabled us to identify and capture this immediately value accretive asset.

We are confident that the commercial viability, which will be fully laid out in the feasibility study being commissioned immediately, will be highly attractive to a wide range of strategic partners across the energy value chain.

Finally, I would like to thank the Ministry for their co-operation in securing this licence and we look forward to continuing to work with our partner ONHYM."

Investor Conference Call

Investor Conference Call: Management will host a conference call for investors at 10am (BST) today, 3 April 2019. Dial in details for the call are shown below and participants should request to join the "Chariot Oil & Gas - Investor Call".

Dial in number: +44 (0)330 336 9125
Conference Code: 6604394

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

Qualified Person Review

This release has been reviewed by Duncan Wallace, Exploration Manager of Chariot, who is a petroleum geologist with over 15 years' experience in petroleum exploration, MSc in Petroleum Geology from Imperial College and a member of the Petroleum Exploration Society of Great Britain. Mr Wallace has consented to the inclusion of the technical information in this release in the form and context in which it appears.

For further information please contact:

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NOTES TO EDITORS

ABOUT CHARIOT

Chariot Oil & Gas Limited is an independent oil and gas company focused on the Atlantic margins. It holds exploration licences covering two blocks in Namibia, three blocks in Morocco and four blocks in the Barreirinhas Basin offshore Brazil.

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'