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Chariot Oil & Gas Limited

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

Results of Placing of Ordinary Shares and Notice of General Meeting

Chariot Oil & Gas Limited (AIM: CHAR), the Atlantic margins focused oil and gas exploration company, is pleased to announce that, following the launch of a proposed placing yesterday 21 July 2014 (the "Placing"), it has successfully placed 58,596,038 new Ordinary Shares (the "Placing Shares") at a price of 15 pence per share (the "Placing") to raise gross proceeds of US\$15 million (approximately £8.8 million) (the "Placing Proceeds").

The Placing Proceeds will be used to further the Company's 2014/15 portfolio development activities, facilitate the acceleration and completion of its 3D seismic work commitment in Brazil and add an additional new venture opportunity in a current country of operation to increase option value and sustain the growth potential of its portfolio.

Larry Bottomley, CEO of Chariot commented:

"We are pleased to have carried out this successful fundraising and I would like to thank our current investors for their ongoing support and welcome our new institutional investors who will become shareholders in Chariot as a result of this Placing. The three farm-out transactions announced over the past year along with the successful de-risking of the portfolio have put the Company in a stronger position to secure support from the market.

Through expanding into new regions, we have broadened our range of opportunities for prospect generation and will continue to identify high potential assets. We believe that we provide investors with exposure to exciting exploration campaigns and using this additional working capital, we will continue to focus on creating transformational value from the giant potential we see within our portfolio."

The Placing Price represents a discount of approximately 14.3 per cent. to the closing middle market price of 17.5 pence per Ordinary Share on 21 July 2014, being the last business day prior to the announcement of the Placing. The Placing is conditional, *inter alia*, on the passing of the Resolutions at a General Meeting (the "GM") to be held on 18 August 2014 and admission of the Placing Shares to trading on the AIM market of the London Stock Exchange plc ("AIM") ("Admission").

The Placing has been conducted by finnCap Ltd ("finnCap") and GMP Securities Europe LLP ("GMP"), acting as joint bookrunners and Ladenburg Thalmann & Co. Inc. ("Ladenburg Thalmann"), acting as US Placing Agent.

Analyst conference call and webcast

A conference call for research analysts will be held at 16.15 (London, UK time) today to discuss the Placing.

A recording of this conference call will be available on Chariot's website as soon as possible together with the Circular: www.chariotoilandgas.com

A conference call for private investors will be held at 11.00 (London, UK time) tomorrow to discuss the Placing. Dial in details will be made available on the Company's website: <http://www.chariotoilandgas.com/investors/events-and-financial-calendar/>

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Details of the Placing

The Company has obtained firm commitments from investors to raise approximately £8.8 million before expenses through the placing of 58,596,038 million new Ordinary Shares at 15 pence per share to the Placees. The allotment of the Placing Shares is conditional, inter alia, on Resolutions 1 and 2 being passed at the GM and Admission taking place by 19 August 2014 or such later date as the Company and its book-runners shall agree (being not later than 8.00 am on 29 August 2014). Following Admission, the Placing Shares will represent approximately 22.5 per cent. of the Company's then enlarged issued ordinary share capital. The Placing Shares will be fully paid and will rank *pari passu* in all respects with the Company's existing Ordinary Shares.

The Placing Shares have been conditionally placed by finnCap, GMP and Ladenburg Thalmann as agents of the Company, with certain existing, new institutional and other investors pursuant to the Placing Agreement dated 21 July 2014. Under the terms of the Placing Agreement, finnCap, GMP and Ladenburg Thalmann will receive commission from the Company conditional on Admission and the Company will give customary warranties and undertakings to finnCap, GMP and Ladenburg Thalmann in relation, inter alia, to its business and the performance of its duties. In addition, the Company has agreed to indemnify finnCap, GMP and Ladenburg Thalmann in relation to certain liabilities that they may incur in undertaking the Placing. finnCap, GMP and Ladenburg Thalmann have the right (but after, where practicable, having consulted the Company) to terminate the Placing Agreement in certain circumstances prior to Admission, in

particular, in the event that there has been, inter alia, a material breach of any of the warranties. The Placing is not being underwritten.

Irrevocable Undertakings

The Company has received irrevocable undertakings to vote in favour of the Resolutions in respect of 45,954,831 Ordinary Shares, representing, in aggregate 22.7 per cent. of the existing Ordinary Shares.

Directors' Participation

Certain directors of Chariot have also sought to acquire Placing Shares pursuant to the terms of the Placing. Following Admission, the beneficial interests of the participating directors will be as follows:

<i>Director</i>	<i>Number of Placing Shares acquired pursuant to the terms of the Placing</i>	<i>Resulting holding post Admission</i>	<i>% of enlarged issued share capital</i>
<i>Larry Bottomley</i>	<i>123,333</i>	<i>554,446</i>	<i>0.2%</i>
<i>Mark Reid</i>	<i>100,000</i>	<i>259,000</i>	<i>0.1%</i>
<i>Matthew Taylor</i>	<i>66,667</i>	<i>836,988</i>	<i>0.3%</i>
<i>Adonis Pouroulis*</i>	<i>5,859,604</i>	<i>27,525,575</i>	<i>10.6%</i>
<i>George Canjar</i>	<i>57,513</i>	<i>216,513</i>	<i>0.1%</i>
<i>Bill Trojan</i>	<i>191,813</i>	<i>191,813</i>	<i>0.1%</i>

*5,859,604 Placing Shares were acquired by Westward Investments Limited, a company which is owned by a discretionary trust of which Adonis Pouroulis is one of a number of beneficiaries. Westward Investments Limited will hold 27,425,575 Ordinary Shares post admission of the Placing Shares.

As certain directors of Chariot have sought to acquire Placing Shares which represent, in aggregate, more than 5% of the Placing, upon Admission this will constitute a related party transaction pursuant to AIM Rule 13.

The directors of Chariot (other than Larry Bottomley, Mark Reid, Matthew Taylor, Adonis Pouroulis, George Canjar and Bill Trojan) consider, having consulted with finnCap, Chariot's nominated adviser, that the terms of the directors' participation in the Placing are fair and reasonable insofar as its shareholders are concerned.

Shareholder Circular

A circular containing a notice (the "GM Notice") of a GM of the Company, convened for 18 August 2014, will shortly be sent to Shareholders of the Company outlining the terms of the Placing and seeking

Shareholders approval to, *inter alia*, enable the Directors to allot the Placing shares in connection with the Placing. Further details of the GM and the Resolutions are set out at the end of this announcement.

General Meeting

The GM is to be held at the office of finnCap, 60 New Broad Street, London EC2M 1JJ at 10 a.m. on 18 August 2014 and the following resolutions will be proposed:

1. Resolution 1 is an ordinary resolution to authorise the Directors to allot relevant securities up to an aggregate nominal amount of £1,368,272 being equal to 136,827,248 Ordinary Shares;
2. Resolution 2 is a special resolution to authorise the Directors to issue and allot the Placing Shares on a non pre-emptive basis; and
3. Resolution 3 is a special resolution to provide further authority to the Directors in addition to the authority granted pursuant to Resolution 2 above for the Placing Shares, to issue and allot, on a non pre-emptive basis, relevant securities for cash up to an aggregate nominal amount of £260,771, representing 10% of the Enlarged Share Capital.

Application will be made for the admission of the Placing Shares to trading on AIM with effect from 19 August 2014. Following admission of the Placing Shares, the number of Ordinary Shares in issue will be 260,770,702. This figure may be used by shareholders as the denominator in the calculation by which they determine if they are required to notify the Company of their interest (or any change to their interest) in the Company under the FCA's Disclosure and Transparency Rules.

Unless otherwise defined herein, terms are as defined in the announcement made yesterday.

-Ends-

Expected Timetable of Principal Events

Latest time and date for receipt by Company Secretary of Form of Proxy in respect of the GM	10 a.m. on 15 August 2014
General Meeting	10 a.m. on 18 August 2014
Placing Shares admitted to AIM	8 a.m. on 19 August 2014

Key Statistics

Number of Existing Ordinary Shares	202,174,664
Number of Placing Shares to be issued	58,596,038
Enlarged Share Capital following the Placing	260,770,702
Percentage of Enlarged Share Capital represented by the Placing Shares	22.5 per cent

Placing Price

15 pence

Gross Proceeds of the Placing

£8,789,405

Certain statements in this Announcement are forward-looking statements which are based on the Company's expectations, intentions and projections regarding its future performance, anticipated events or trends and other matters that are not historical facts. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Given these risks and uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date of such statements and, except as required by applicable law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. The information contained in this Announcement is subject to change without notice and neither the Company nor finnCap, GMP nor Ladenburg Thalmann assumes any responsibility or obligation to update publicly or review any of the forward-looking statements contained herein.

Past performance is not a guide to future performance.

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The Placing Shares have not been and will not be qualified for sale to the public under applicable securities laws in Canada and, accordingly, any offer and sale of Placing Shares in Canada will be made on a basis which is exempt from the prospectus requirements of such securities laws. The Placing Shares issued to Canadian residents pursuant to the Placing will be subject to resale restrictions under Canadian securities laws for a period of four months plus one day from the closing of the Placing. Subject to applicable securities laws, the Placing Shares issued to residents of countries other than Canada pursuant to the Placing may not be sold, transferred or otherwise disposed of to any person in Canada or otherwise into Canada for a period of four months plus one day from the date of closing of the Placing.

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