



4 June 2018

Chariot Oil & Gas Limited

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

Operational Update

Central Blocks, Namibia

- **Ocean Rig Poseidon drill ship contracted to drill one firm and one optional well.**
- **Fully funded drilling of Prospect S, offshore Namibia, in Q4 2018.**
- **Prospect S has 459mmbbls gross mean prospective resource, with a further future potential upside of 2.2Bnbbls in other prospects within the Central Blocks licence in Namibia.**
- **Drilling of an optional second well dependent on the outcome of Prospect S well and ongoing partnering processes.**

Chariot Oil & Gas Limited (AIM: CHAR), the Atlantic margins focused oil and gas exploration company, has secured the Ocean Rig Poseidon, a sixth generation deepwater drillship to drill one firm and one optional well. Chariot, the operator of the Central Blocks licence offshore Namibia (Chariot 65%, AziNam 20%, NAMCOR 10% and Ignitus 5%) currently anticipates that the drillship will arrive on location in Q4 2018 and that the drilling of Prospect S will commence shortly thereafter.

Prospect S, independently estimated as a gross mean prospective resource of 459mmbbls and a probability of geologic success of 29% by Netherland Sewell Associated Inc., is one of five dip-closed structural traps, totalling 1,758mmbbls gross mean prospective resources, that have been identified in the Upper Cretaceous turbidite clastic play fairway. A further two higher risk-reward stratigraphic traps, totalling 885mmbbls gross mean prospective resources, could be de-risked through the calibration of the 6,100 km² of proprietary 3D seismic data on the Central Blocks with the result of the Prospect S well.

Larry Bottomley, CEO, commented:

"We are pleased to have secured the high performance Ocean Rig Poseidon drillship for the Prospect S well in Namibia. Operational plans are now well advanced for the first deepwater drilling in our Central Blocks licence in Q4 2018. We are continuing to take every advantage of the current historic low cost drilling environment as well as maximizing any further cost synergies by cooperating with other drilling operations in Namibia.

Our farm-out discussions are ongoing, strengthened by this well having already been fully funded, and we look forward to introducing new partners to share the costs and also the significant rewards of a discovery on Prospect S, and to accelerate the optional drilling on the transformational follow on potential."

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.

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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, a market operated by the London Stock Exchange under the symbol 'CHAR'.

ABOUT OCEAN RIG

Ocean Rig is an international offshore drilling contractor providing oilfield services for offshore oil and gas exploration, development and production drilling, and specializing in the ultra-deepwater and harsh-environment segment of the offshore drilling industry. The company owns and operates 13 offshore ultra deepwater drilling units, comprising of 2 ultra deepwater semisubmersible drilling rigs and 11 ultra deepwater drillships, two of which are scheduled to be delivered to the Company during 2017 and one in 2018.

ABOUT OCEAN RIG POSEIDON DRILL SHIP

The Ocean Rig Poseidon is a 6th generation deepwater drillship built by Samsung Heavy Industries Shipyard in South Korea in 2011. The rig has dual activity capabilities, design and equipped for drilling operations in water depths from 500 meters to 3,000 meters. For further information <http://www.ocean-rig.com/fleet/drillships/vessel/2>

