BUILDING AN AFRICAN TRANSITIONAL ENERGY GROUP

CHARIOT LIMITED
Annual Report & Accounts 2020

CHARIOT

CONTENTS

A clear strategy to provide a positive impact to the environment, shareholders and the local communities.

Enabling Moroccan transition from energy import dependence.

Contributing to cleaner energy solutions in Africa.

"OUR MISSION IS TO CREATE VALUE AND DELIVER POSITIVE CHANGE THROUGH INVESTMENT IN PROJECTS THAT ARE DRIVING THE ENERGY REVOLUTION."

ADONIS POUROULIS
Acting Chief Executive Officer

CHARIOT

WELCOME TO CHARIOT'S ANNUAL REPORT

Who We Are
Chariot is an independent AIM-listed transitional energy company.

Where We Operate
We are focused on transitional energy projects across the continent of Africa. Our Transitional Gas business is operating in the fast growing economy of Morocco and our Transitional Power business has an operational project in Burkina Faso with a further pipeline of projects across the continent of Africa.

Building an African Transitional Energy Group
Chariot aims to be a provider of cleaner energy across the African continent via its Transitional Gas and Transitional Power business streams. The Anchois Gas Development Project, operating under the Transitional Gas business, is a high value, low risk gas development project with strong ESG credentials in a fast-growing emerging economy with a clear route to early monetisation, delivery of free cashflow and material exploration upside.

In the first half of 2021, Chariot acquired AEMP, a renewable and hybrid energy project developer through its new Transitional Power business stream, looking to transform the energy market for mining operations in Africa, providing a giant largely untapped market with cleaner, sustainable, and more reliable power.

OUR STRATEGY AT A GLANCE

Learn more about our new strategy and the latest news from Chariot:
Read more on pages 04-07

POSITIONED TO DEVELOP ENERGY PROJECTS ACROSS AFRICA

TRANSITIONAL GAS

Chariot's core Transitional Gas asset, the Lixus Offshore licence in Morocco, was secured in 2019. This licence area contains the Anchois gas discovery (made by Repsol in 2009) which contains 361 Bcf of 2C Contingent Resources as independently assessed by NSAI and represents a high value gas appraisal and development project which is on track to be drilled in Q4 2021.

Additional prospective gas sands have been identified with total best estimate (2U) of 690 Bcf of prospective resources, which could be tested in combination with appraisal or development drilling on the Anchois field.

Key terms have also been agreed on a new Moroccan licence, Rissana Offshore, to be formally awarded in 2021. Rissana covers an area 3.5x the Lixus licence, capturing material potential running room in plays on-trend with the Anchois Gas Discovery, a variety of other plays surrounding the Lixus licence and legacy 3D prospects, already outlined on Chariot's extensive seismic dataset.

ANCHOIS DEVELOPMENT 2C BASE CASE

US$500M*

NET NPV10

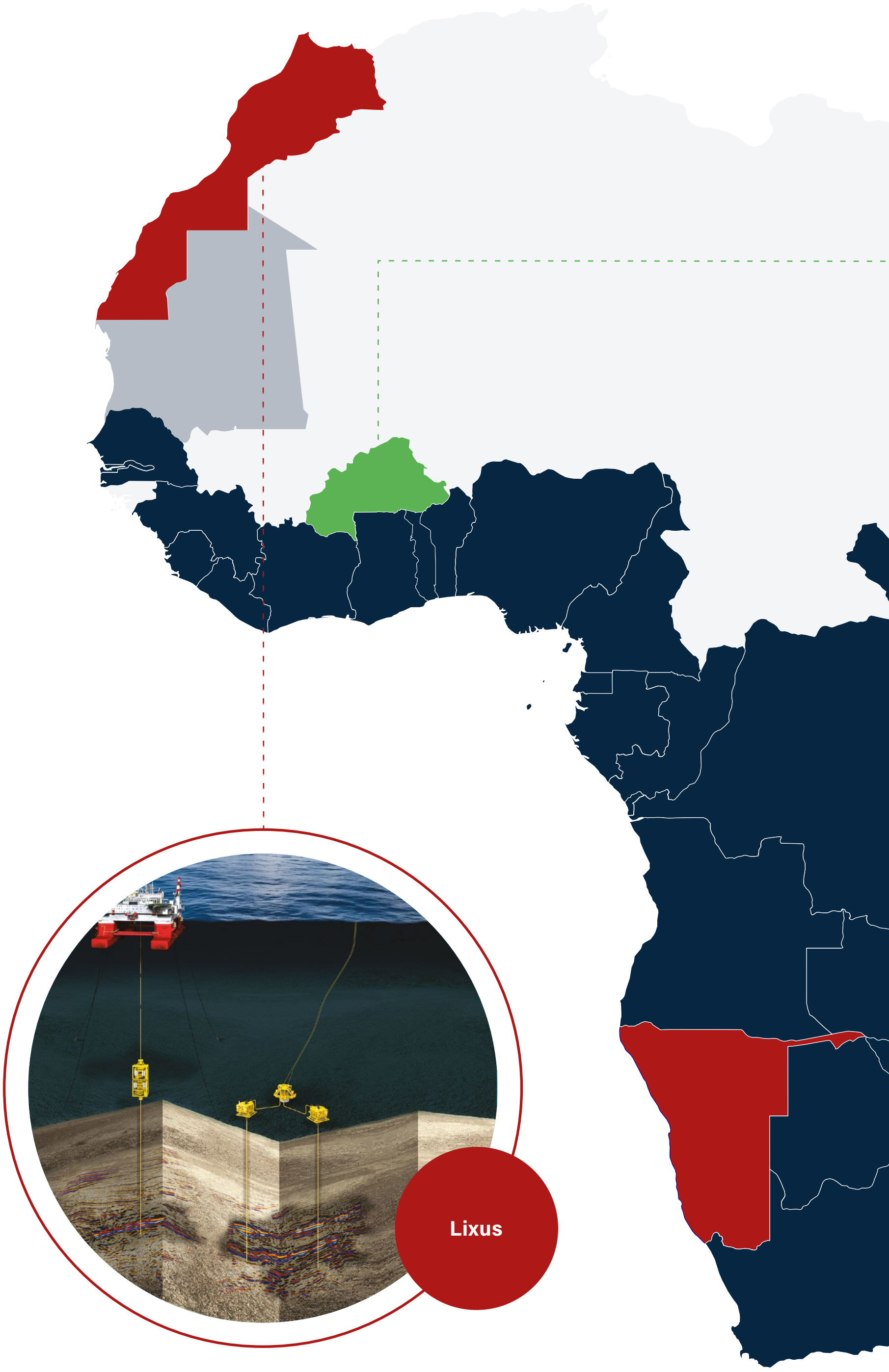
>30%*

IRR

US$200M*

UP TO US$200M ANNUAL REVENUE

* Internal estimate base case supported by audited 2C 361Bcf resource, 70mmscfd, 8-11$/mcf to power and industry



TRANSITIONAL GAS

Moroccan offshore gas development project with the potential to positively impact a growing economy, heavily reliant on energy imports and coal.

KEY
- Chariot Transitional Power portfolio
- Chariot Transitional Gas portfolio
- Chariot historic interest
- Executives' experience

TRANSITIONAL POWER

Chariot Transitional Power in partnership with Total Eren, a leading player in renewable space globally, is looking to provide clean, sustainable, and more competitive energy to operational mines in Africa, which represents a giant, largely untapped market in which Chariot's management has numerous high-level contacts.

This unique partnership, expected to grow beyond just the mining industry, allows Chariot access to a proven team, a big pipeline of projects of more than 500MW and 10% equity in the first project that is already in operation in Burkina Faso – the Essakane Project.

Chariot has a right to invest in up to 15% project equity at cost in hybrid energy projects developed by the partnership across Africa. This provides multiple value accretive opportunities for re-investment of anticipated material cashflows provided by Chariot's Transitional Gas project, the Anchois Development in Morocco.

Chariot's management is also looking to leverage its other significant business interests in multiple mining operations across Africa to rapidly grow the pipeline.

15MW
SOLAR GENERATION

130,000
PV PANELS

2018
COMMENCED OPERATIONS

TRANSITIONAL POWER

Renewable and hybrid energy project development in strategic partnership with Total Eren, a leading player in renewable energy.

BUILDING AN AFRICAN TRANSITIONAL ENERGY GROUP

2020 AND POST PERIOD HIGHLIGHTS

- Strategy updated with new mission to have a positive impact on the environment, the countries and the communities that we operate in.
- Name changed to Chariot Ltd and rebranding under the strapline Chariot Transitional Energy, with a focus on Africa through the twin business streams of Transitional Gas and Transitional Power.
- Transitional Gas holds the Moroccan licences Lixus Offshore, containing the Anchois gas development, and the soon to be formally awarded Rissana Offshore, with operatorship and 75% working interest.
- Transitional Power, a second business stream, launched in Q1 2021 with the acquisition of African Energy Management Platform ("AEMP"). The recently completed acquisition, initially looks to transform the energy market for mining operations in Africa, providing a giant largely untapped market with cleaner, sustainable, and more reliable power.
- Recapitalised Company through successful placing, subscription and open offer, raising net US$18.8 million in Q2 2021 with a further US$4.2 million underwritten by Magna Capital LDA (of which Adonis Pouroulis is a substantial shareholder); funded to progress both business streams.

TRANSITIONAL GAS

- Anchois appraisal drilling planned for Q4 2021 with 3 distinct objectives: (1) reconfirm the original discovery A&B sands; (2) provide a producer well location to be suspended for future use; (3) potentially drill the additional prospective sands and potentially establish a larger resource base for longer term growth.
- Rig tender process underway; assembling key team members from the 2018 drilling campaign that delivered a well on time and within budget.
- The Anchois gas development's 2C base case resource has a net NPV10 of approx. US$500 million with an IRR in excess of 30% yielding expected annual revenues of up to US$200 million.
- Reprocessing of 3D seismic data across Lixus completed; Upgrade of audited total remaining recoverable resource to in excess of 1 Tcf for Anchois, representing a 148% increase (comprising 361 Bcf 2C contingent resources and 690 2U prospective resources).
- Expression of Interest Letters to debt finance the development received from African Finance Corporation ("AFC"), a pan-African multilateral development financial institution with over US$6 billion in assets, and a major multinational investment bank, which is a leading provider of finance in the energy sector.
- Key terms agreed on new Rissana Offshore Licence, Morocco, with formal award expected in 2021, capturing prospective acreage surrounding the core Anchois development.
- Collaboration agreement with Subsea Integration Alliance signed in February 2021, a developer of offshore gas projects, to progress the front-end design, engineering, procurement, construction, installation and operation of the Anchois Gas Development.
- Gas Market Memorandum of Understanding ("MOU") signed in March 2021 with partner the Office National des Hydrocarbures et des Mines ("ONHYM") and the Ministry of Industry, Trade and Green and Digital Economy ("Ministry") in Morocco to support the Anchois Gas Development.

TRANSITIONAL POWER

- Acquisition completed in Q2 2021 of AEMP for consideration of up to US$2 million payable primarily in Chariot Ordinary Shares.
- Whole AEMP team to join Chariot, including founders Benoit Garrivier and Laurent Coche who become shareholders in Chariot.
- Acquisition meets Chariot's key environmental, social and corporate governance ("ESG") values of positive impact on the environment, countries, and communities where it operates.
- Right to invest in up to 15% project equity at cost in projects developed in strategic partnership with Total Eren, a global renewable IPP to develop low-risk mining power projects in Africa.
- Partnership has built a pipeline of 500MW of African mining power projects; Chariot's management is also looking to leverage its other significant business interests in multiple mining operations across Africa to rapidly grow the pipeline and scale-up.
- Recovery of overhead costs as part of the partnership provides an immediate post-acquisition revenue stream to finance ongoing costs.
- First project in operation, the largest hybrid solar plant in Africa, at the Essakane gold mine in Burkina Faso, successfully completed and currently generating returns providing proof of concept.
- Funded for next project, expected to reach financial completion in the near term.

ADONIS POUROULIS, ACTING CHIEF EXECUTIVE OFFICER OF CHARIOT, COMMENTED:

"We are now entering an exciting and important phase in the growth of the Company. The recently completed fundraising will give us the capital required to turbocharge our growth ambitions and capitalise on the high value opportunities we see in front of us in both our transitional gas and transitional power businesses.

At Anchois, we intend to further progress the commerciality of the licence by drilling an appraisal well. We firmly believe that Anchois ticks a number of boxes when it comes to key investment criteria, such as low project risk, robust potential returns and strong ESG credentials. The focus on transitional energy can be seen clearly at Anchois, where Chariot has the potential to provide the Kingdom of Morocco with a domestic source natural gas to power and industry, enabling the country to achieve its target of decarbonising its economy and reducing its dependence on imported fuels. We look forward to commencing with the drilling of a safe, efficient and cost-effective appraisal well as fast as practically possible.

The launch of Chariot Transitional Power places the Company in a unique position in the market. This acquisition will see us work with our partner, Total Eren, one of the world's largest players in the renewable energy space, to provide clean, sustainable, and more competitive energy to operational mines in Africa. A market of significant scale, that is largely untapped, where Chariot's management has a deep understanding and high-level commercial networks. As the AEMP team integrates into Chariot, we look forward to investment into the next project with Total Eren and further progress to the strong pipeline of projects in excess of 500MW.

The Board are firmly aligned with shareholders and the Directors of Chariot have subscribed for a material amount of the recent Fundraise. This reinforces not only the Board's belief in the Chariot story, but also its commitment to ensuring that Chariot achieves the growth targets it sets out."

Adonis Pouroulis
Acting Chief Executive Officer of Chariot

OTHER LICENCES

- As announced in September 2020, the Company will likely only proceed with exploration if nearby adjacent drilling de-risks the basin sufficiently to generate partnering.
- Non-cash impairments of US$66.7 million made in respect of Namibia and Brazil and US$0.5 million against remaining drilling inventory reflective of change in strategic direction and Management's approach to non-core assets in the current challenging market environment.
- Whilst fully written down, Chariot has retained its interest in Namibia and Brazil with no work commitments going forward and will continue to host data-rooms for marketing of both assets.

CORPORATE

- 2020 year-end cash position of US$3.7 million, no debt, with no remaining work commitments.
- Restructuring in April 2020 reduced annual cash overheads from US$4.5 million to US$2.5 million.
- New executive team appointed in July 2020 with Adonis Pouroulis, previously Non-Executive Director and the Company founder, taking over as Acting CEO and both Julian Maurice-Williams and Duncan Wallace joining the Board as executive directors in roles of Chief Financial Officer and Technical Director respectively.
- Moroccan Country Director, Pierre Raillard appointed and local office opened.
- Rebranding completed with name changed to Chariot Ltd under the tagline of "Chariot Transitional Energy" in the post period.

OUTLOOK

- Secure rig in low cost environment, drill appraisal well on Anchois to confirm resource base and test deeper prospects.
- Strategic partnering on Lixus to share in risks and rewards of high value, low risk gas development project with strong ESG credentials in a fast-growing emerging economy with a clear route to early monetisation.
- Progress near-field Anchois tie-back prospects and Rissana area surrounding Lixus.
- Integration of Transitional Power business, investment in next project in partnership with Total Eren and development of 500MW pipeline with expected conveyor belt of projects.
- Evaluate further value-accretive new ventures in energy transition according to the Company's values.

CREATING SUSTAINABLE VALUE FOR OUR STAKEHOLDERS

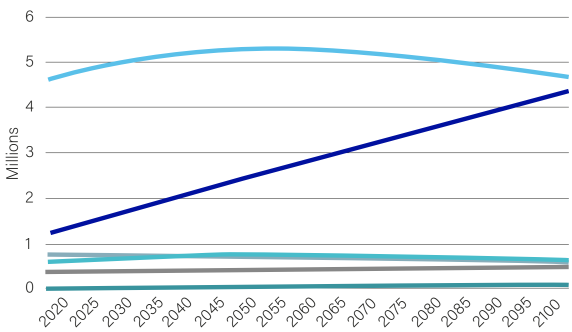
WHY AFRICA?

Africa is the only continent where population is expected to grow significantly from 1 billion to approximately 2 billion people in the next 20 years.

The demand for energy which is both clean and sustainable will also grow.

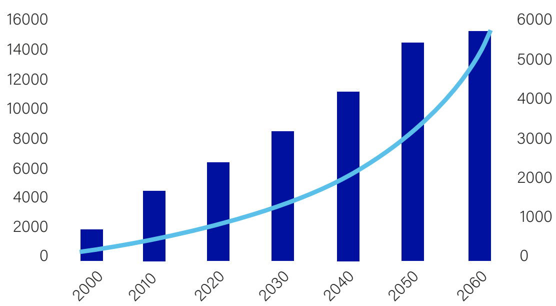
There exists a massive opportunity both to supply consumers and industry with that energy; Chariot is extremely well placed to support the communities across Africa through delivery of transitional energy, while providing transformational stakeholder value.

PROJECTED WORLD POPULATION BY WORLD REGION



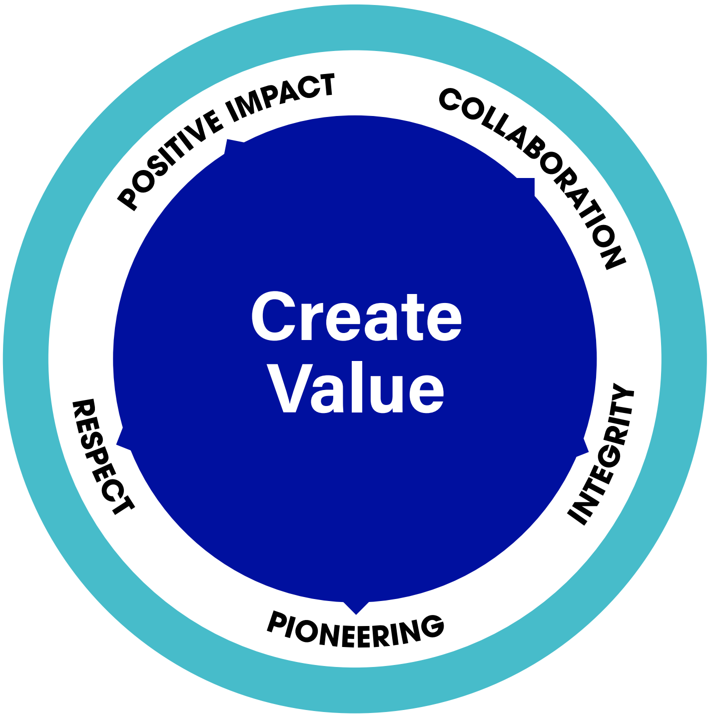
Source: UN

AFRICA: GROSS DOMESTIC PRODUCT (US$)



Source: African Development Bank

OUR VALUES



POSITIVE IMPACT

Developing projects which make a real beneficial change to the **environment, shareholders** and the **local communities** by creating employment, facilitating energy independence and generating opportunities of progression and value.

COLLABORATION

Creating partnerships of **mutual benefit** and by ensuring a **balance** between building constructive relationships and a sustainable business in an environment that inspires **knowledge growth**.

RESPECT

Supporting a **culture** of **honesty** and responsible management through **engagement** in projects and partnerships that embody our values and demonstrate our vision.

INTEGRITY

Operating with a team **trusted** throughout the industry for their **technical excellence** and **transparency**.

PIONEERING

Challenging convention and building momentum by fostering an innovative, **agile**, and **enterprising** philosophy.

CHARIOT TRANSITIONAL GAS

Transitional Gas is an exploration and development business geared towards producing domestic gas for African countries, relieving their communities from dependency on energy imports, thereby lowering import bills and promoting self-sufficiency.

The Anchois Gas Development Project:

- Chariot operates this project with 75% equity offshore Morocco, working towards changing the supply of energy and power from a carbon intensive imported coal base (currently 67% imported), to a clean gas environment:
- This gas production is a flexible fuel for power generation, as it has a role as 'enabler' for renewables projects by providing the critical balancing/peaking power to allow the delivery of consistent power to end customer.
- Morocco has an easily-accessible, scalable and attractive gas market and Lixus has close proximity to the Maghreb-Europe Gas pipeline ("GME") which connects Morocco with Spain and Portugal, offering numerous commercial options to monetise the asset.
- Highly scalable with material upside beyond the Anchois Development. Audited best estimate total remaining recoverable resources of around 3 Tcf in the Lixus licence and additional upside in Rissana, providing potential to deliver material gas resources for long-term growth.
- Near-term cashflows with fast-track development plan; rapid progress being made in country to market the gas with a Memorandum of Understanding signed with the Moroccan government, aimed at developing the local gas market, to use Anchois gas as a cleaner and cheaper domestic fuel source, promoting economic growth.
- Collaboration agreement signed with the world's leading developers of offshore gas; Subsea 7 and Schlumberger, de-risking the development.

CHARIOT TRANSITIONAL POWER

Transitional Power is a hybrid renewable energy developer and independent power producer. Holding an ongoing strategic partnership with Total Eren, part of Total group, for the scope of providing clean energy to mining companies and industrial companies in Africa. The strategic partnership with Total Eren is a highly valuable relationship, that we will look to strengthen and grow over the coming years.

The Essakane Project:

- Chariot owns a 10% share of this 15MW project, which adheres to the mission of creating a positive impact by benefitting the local communities and respecting the environment:
- The gold mine at Essakane, in Sahel region, Burkina Faso, like many other mines in Africa runs on carbon intensive Heavy Fuel Oil; the project replaces part of this fuel with clean solar energy.
- This project was registered to the UNFCCC with a confirmed 18,000 Certified CO_2 Emission Reductions credited every year.
- The project contribution to sustainable development has been recognised by the "2019 Towards Sustainable Mining" excellence award.
- The Essakane PV Plant spends 1% of its income to fund projects such as tree planting campaigns, distribution of solar kits to schools, and contributed to the funding of a new school for the communities around Essakane.

OUR ROLE

SCALABILITY, LEVERAGE & RETURNS

- The Lixus portfolio is estimated to contain around 3 Tcf of audited gross contingent and prospective gas resources, with even further upside identified since the most recent audit that are estimated to contribute an additional >1.5 Tcf to the portfolio.
- In addition, a pipeline of projects over 500MW is accessible with connections across Africa, enabling Chariot to pick up projects that help serve a market with potential 20 GW power demand across Africa.

POSITIONED TO DEVELOP ENERGY PROJECTS ACROSS AFRICA

Chariot has emerged from the challenges presented in the last 18 months as a diversified, transitional energy company with both a high value gas project in Morocco and an exciting new venture in renewable hybrid energy focused on Africa.

The Company faced significant macro headwinds in 2020 that demanded a transition to a lower cost base at the same time retaining both key skills and operational capabilities. This reorganization crystallized in July 2020 with significant changes to the Board and Executive Team in order to thoughtfully evaluate our portfolio, plans and mission. Through the lens of the fundamental changes in the global energy landscape, we have prioritized our activity in Morocco and committed to further deliver positive transformation in Africa through investment in projects that are driving the energy revolution. This insight has both increased momentum to the Anchois gas development and added a significant focus of the Company to actively pursue investments that promote the ongoing energy transition.

TWIN PILLARS OF GROWTH

Chariot Transitional Gas and Chariot Transitional Power have been brought together under one umbrella. Both are infrastructure developers in the energy transition space targeting markets with substantial growth potential and a focus on the African continent. The businesses are aligned, complementary and underline the fundamental focus on robust economics and positive impact on the environment, the countries, and the communities where we operate.

In Transitional Gas, the core of the portfolio is the high value Anchois gas discovery on the Lixus Offshore Licence, Morocco. The Board believes this asset is the core of a broad enterprise opportunity that has considerable upside potential and is attractive to a wide range of businesses across the energy value chain. The dedication, commitment, and adaptability of our team, despite significant pandemic challenges has resulted in the acceleration of the Anchois project development timeline. Consequently, the next critical step to first gas and monetization of this asset is the drilling of an appraisal well at the end of 2021. This activity will provide crucial information in support of resource volumes definition and enable, front end engineering design, finalizing of gas sales agreements, and securing project finance. With a material foundation at Anchois and long-term growth potential through infrastructure-led exploration from the existing portfolio, the Company will also continue to assess other opportunities in transitional gas and investigate likely synergies.

In Transitional Power, the Board recognized three primary value elements in its move to acquire AEMP. First, the purchase brings an exceptional, highly efficient team with a pipeline of off-grid renewable and hybrid energy projects serving a relatively untapped mining market. Thus, Chariot is stepping into this established, ready-made business in the clean energy space. Second, the partnership with Total Eren, a leading global player in renewable energy, means that every aspect of projects under the partnership are already substantially de-risked to Chariot shareholders before capital is deployed. So, while we recognise that we are in early time of our renewable power journey, we can leverage our equity participation in multiple well founded portfolio projects to accrete material returns on investment. And finally, Chariot has a unique competitive advantage with access to a much wider African mining network through its founder and Acting CEO Adonis Pouroulis. This has the potential to significantly accelerate development of our transitional power project pipeline and is a clear benefit of the transaction.

FIRST-MOVER ADVANTAGE

Our decision to raise equity to finance the appraisal well was crucial to maximize both the ultimate value to the Company and the control of project development through to first gas production and cashflow. Company ownership of the large, operated acreage position at the full equity stake of 75% ensures the flexibility necessary to bring strategic partners in at the appropriate time.
The team continues to engage with a range of potential partners for different segments of the project. Based on the quality of the asset and the scale of the opportunity, we are confident that the right combination of partnering, timing and scope will be achieved to maximize shareholder value.

This theme is also illustrated by our entry into the renewable and hybrid power sector in Africa.
The first project between AEMP and Total Eren, supplying 15MW of solar PV power as part of a hybrid solar-thermal power solution to the Essakane gold mine in Burkina Faso, was, at the time of completion, the largest hybrid PV-HFO power plant in the world and one of the largest solar facilities in sub-Saharan Africa. This project concept is being replicated, adjusted, and scaled up for numerous project applications.
By acquiring the AEMP expertise and portfolio, Chariot is making a low-cost entry to a specific, underserved, profitable and growing market, at the same time positioning itself to capture forecasted thematic energy growth trends across the continent of Africa, it is on note that the population of Africa is estimated to double to over two billion people during the course of the next quarter century.

> "The recent recapitalisation of the Company through equity fundraising means the next 12-24 months will be an exceptionally busy time as we move to drilling operations offshore Morocco and look forward to multiple new investment opportunities in African renewable and hybrid power projects."

OUTLOOK

The recent recapitalisation of the Company through equity fundraising means the next 12-24 months will be an exceptionally busy time as we move to drilling operations offshore Morocco and look forward to multiple new investment opportunities in African renewable and hybrid power projects.

The Board chose to subscribe for a significant portion of the fundraising as we see great value in the highly scalable transitional gas and power businesses which together hold a bright future for Chariot. I would like to thank our existing shareholders and I welcome the new institutions that came onboard as we enter this new phase of growth and expansion into new markets. Following the completion of the acquisition of AEMP we also look forward to working with this new team alongside our new partners at Total Eren as we aim to deliver on the strategy in place, thereby generating value accretive returns for all stakeholders.

George Canjar
Chairman

24 June 2021

GOVERNANCE STATEMENT

The Chairman and Directors support and take responsibility for high standards of corporate governance.

Read more on page 31

BUILDING AN AFRICAN-FOCUSED TRANSITIONAL ENERGY GROUP

The Covid-19 pandemic in 2020 caused considerable upheaval globally, affecting every aspect of life in every country and continent on the planet.

The year 2020 was one of great change and our industry faced increased scrutiny as climate change and environmental, social & governance ("ESG") principles are now at the forefront of any energy discussion. A reinvention of the Chariot "raison d'être" became an absolute necessity for our survival as our historic business model of pure exploration became less appealing to the investing community and to our relevance in this rapidly shifting global energy revolution. I am pleased to say that the Chariot team grasped the challenges, embraced significant change and is moving ahead through 2021 firmly on the front foot with a clear and laser focused strategy. We firmly believe that the new executive team has the ambition, tenacity and entrepreneurial spirit to build a Company that can play a leading role in the largely untapped market of Africa's energy transition.

Africa is predicted to be the driver of world population growth in the next century with a doubling of its 1.2 billion inhabitants expected in the next 25 years. This therefore means that the demand for energy which is both clean, green and sustainable will also grow significantly. Chariot is in a strong position to contribute to this energy growth and stands to benefit by virtue of its presence in both its transitional gas and transitional power industries which have the potential to grow into highly valuable businesses. It follows that a key attribute for Chariot investments, in addition to positive impact, is that our projects must also be highly scalable. We see this scalability in the material upside in Lixus with audited total recoverable resources of around 3 Tcf and the recently announced Rissana licence that surrounds Lixus, and we also see this in the scale of the mining power market our renewable and hybrid energy projects will serve. We are excited to be partnered with Total Eren, a leading global player in renewable energy and whilst initial focus of projects is in the mining sector in Africa we expect this partnership to grow beyond just the mining industry.

THE ANCHOIS GAS DEVELOPMENT

The Lixus licence, offshore Morocco, contains the significant Anchois gas discovery for which we are targeting appraisal drilling in Q4 2021. Since Lixus was awarded to Chariot in 2019, the team has taken steps to further de-risk the Anchois Gas Development project from the subsurface through to the gas market, the construction phase and project financing.

Using the large quantity of legacy 3D seismic data on the block, in addition to the data from four offset wells, the subsurface team commissioned a reprocessing study using the latest modern technology which resulted in significant improvements in both image quality and in depth control. This led to a resource upgrade, as announced in September 2020, of audited total remaining recoverable resource to in excess of 1 Tcf for Anchois, comprising 361 Bcf 2C contingent resources and 690 Bcf prospective resources in the deeper prospective gas targets.

"Many of the world's top mining companies are embedding CO_2 reduction into more sustainable mining plans and as a consequence are setting ambitious targets and commitments to meet their electricity needs through clean energy sources. ESG performance is now listed as one of the main risks for the mining industry, so most mines will consider using power from renewable sources to decrease their carbon footprint."

Promising subsurface attributes mean that Anchois is a simple and standard development which has many global analogues. The development plan from a pre-FEED study consists of two initial subsea wells tied into a subsea manifold with a 40km offshore flowline connected to an onshore gas processing facility, from which a short 40km pipeline connects to the trunk pipeline to Europe allowing access not only to the growing Moroccan energy market but also to the European gas market. In order to further enhance the planning and execution of the development, in February 2021 a collaboration agreement was signed with Subsea Integration Alliance, the world-leading developer of offshore gas projects, to progress the front-end design, engineering, procurement, construction, installation and operation work streams. This agreement both endorses the project's credentials and helps to de-risk the execution of the development by collaboration with a group of top tier service providers.

Morocco provides excellent fiscal terms for domestic projects, including a 10-year corporate tax holiday from the start of production. Although Morocco has a large and growing energy market, it is heavily reliant on imports, and has high established gas prices. Domestic gas therefore has an important role to play as Morocco seeks to transition away from its dependency on imported fuels and promote self-sufficiency. As gas is a cleaner source of energy than coal, which is used for 67 per cent. of Morocco's current power generation, a heavier reliance on gas as an energy source will help to reduce Morocco's carbon footprint significantly. Anchois has the potential to play a significant role in Morocco's transition to a low carbon economy as it seeks to satisfy an anticipated doubling in domestic energy demand over the next 20 years. The project has highly attractive economics and we estimate that a base case development with a 70mmscf/d plateau production rate from the 2C 361 Bcf contingent resource would deliver net NPV10 of US$500 million and an unlevered internal investment rate in excess of 30 per cent.

To expedite efforts to secure gas sales agreements and progress the Anchois project, the broad skillset of the Group's leadership team was strengthened in October 2020 by the appointment of Pierre Raillard as Moroccan Country Director. The Gas Market Memorandum of Understanding with the Ministry of Industry in Morocco, signed in the post period, has demonstrated the support of key national institutions and partners for the project, underlining the strong relationships that the Company continues to build upon.

There are a number of options open to the Company in financing a development and we are encouraged by the support and endorsement received in Q4 2020 firstly from the African Finance Corporation ("AFC") and secondly from a major Multinational Investment Bank with global reach and profound market expertise within the EMEA region. With all the elements progressing the next step in the project is for an appraisal well to unlock the development.

APPRAISAL DRILLING: FAST-TRACKING TO DEVELOPMENT AND PRODUCTION IN MOROCCO

The Anchois appraisal well will have three distinct objectives: firstly to reconfirm the original discovery A&B sands; secondly to provide a producer well location to be suspended for future use; thirdly to potentially drill the additional prospective sands and potentially establish a larger resource base for longer term growth.

Given the challenging market conditions faced in the small-cap independent sector and given our clear line of sight to first gas, it is now more vital than ever that we act to elevate ourselves to becoming a company that is closer to revenues and positive cashflow. As a result of the current availability of reasonably inexpensive rigs there is an opportunity to accelerate to the next level on the project plan at a relatively low cost. Equally important is the opportunity to bring Anchois gas to market sooner, which in the near term aligns with demand and interest from off-takers in the Moroccan power and industrial sectors. We have therefore acted to fund the drilling of the Anchois appraisal well towards the end of 2021 so that we can capture and maintain this project momentum. By operating the appraisal drilling ourselves, with the same team that achieved an industry benchmark low cost well in 2018 in Namibia, we remain in control of the fast-track timeline and are able to capitalise on the enthusiastic support the project is garnering in Morocco.

Our efforts to partner have been encouraging and we continue these discussions in parallel with the drilling campaign with the hope that this interest is crystallised into value accretion for Chariot. It must be stressed however that Chariot is in a strong position to undertake this drilling campaign alone leaving operations firmly under our control. Sticking to this accelerated timeline preserves value in the asset and with our recently bolstered balance sheet we enter into partnering negotiations from a position of strength. We believe preservation at the asset equity level is value accretive and as a material participant in the recent fundraise along with my fellow Board members our interests continue to be firmly aligned with all stakeholders.

361 BCF
ANCHOIS 2C RESOURCE

3 TCF
LIXUS AUDITED RECOVERABLE RESOURCES

500MW
PIPELINE OF POWER PROJECTS

We remain grateful for the support we continue to receive from our partners in the Kingdom of Morocco and we are mindful of the opportunity given to us to make this project work in the right timeframe in order to maximise returns for all stakeholders and deliver Morocco's first offshore natural gas development.

DIFFERENTIATOR IN CLEAN POWER

In the post period Chariot completed the acquisition of AEMP, a renewable and hybrid energy project developer with an ongoing strategic partnership with Total Eren, a leading player in renewable energy. Under the joint venture with Total Eren, Chariot has the right to invest in up to 15 per cent. project equity at cost in projects ranging in size and currently, in aggregate, make up a pipeline of 500MW of power.

Chariot's unique offering is its large network of affiliated companies through the Pella Group with operations in 17 countries, predominantly in mining, that can be leveraged to deploy projects into the Transitional Power business and rapidly grow the pipeline above the already large 500MW. This is a synergistic opportunity to introduce Chariot's network of business interests on the African continent to an established team and pipeline of projects in partnership with Total Eren.

With this acquisition under our new Transitional Power business stream we have made a strategic entry into a market with high growth potential. The World Bank estimated the size of sub-Saharan mining power demand to be in excess of 20GW in 2020, an order of magnitude greater than the already material acquired pipeline of 500MW. Many of the world's top mining companies are embedding CO_2 reduction into more sustainable mining plans and as a consequence are setting ambitious targets and commitments to meet their electricity needs through clean energy sources. Investors are increasingly looking at the ESG performance of the mines in which they invest, including impact on the communities, water sources, and carbon emissions. ESG performance is now listed as one of the main risks for the mining industry, so most mines will consider using power from renewable sources to decrease their carbon footprint. Many mines are off-grid and require substantial dedicated power sources which until recently have required carbon intensive heavy fuel oil to be trucked over large distances.

The experienced AEMP team is joining Chariot and has a proven track record of delivery, with the first project already in operation, being the largest solar hybrid plant in Africa, at the Essakane gold mine in Burkina Faso, successfully completed and currently generating returns providing proof of concept.

OUTLOOK

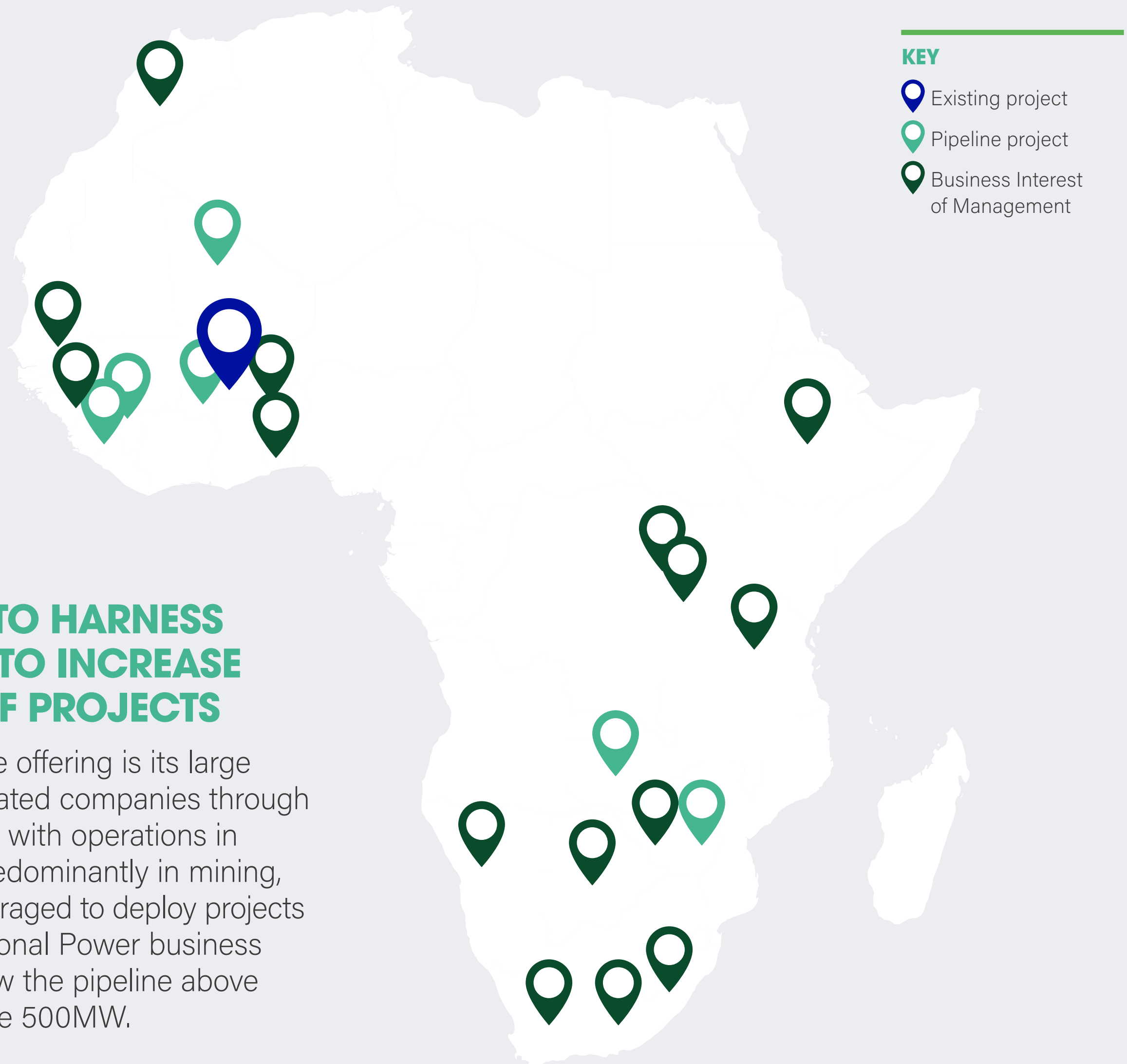
We are enthused as we look ahead to an operated appraisal well on Anchois at the end of this year yet cognisant of the hard work ahead in maintaining project momentum across all workstreams and our two business units. We are also looking forward to working with our partners in Morocco, Namibia and the new countries we will enter in our partnership with Total Eren. The new Transitional Power team is already innovating and adding value to Chariot.

We have embarked on a new course that has its own set of unique challenges and obstacles but the size of the prize and the positive impact our new business plan will have in the countries and communities in which we operate in Africa makes the challenge all the more inspiring. Whilst we set sail in this new direction for Chariot, the path of energy transition will not always be smooth and further change may be needed, however the dedication of the Chariot team remains steadfast in achieving our mission of being part of and contributing to the energy revolution which is underway at a pace.

We thank you for your continued support and hope you enjoy this exciting journey with us.

Adonis Pouroulis
Acting Chief Executive Officer

24 June 2021



LOOKING TO HARNESS NETWORK TO INCREASE PIPELINE OF PROJECTS

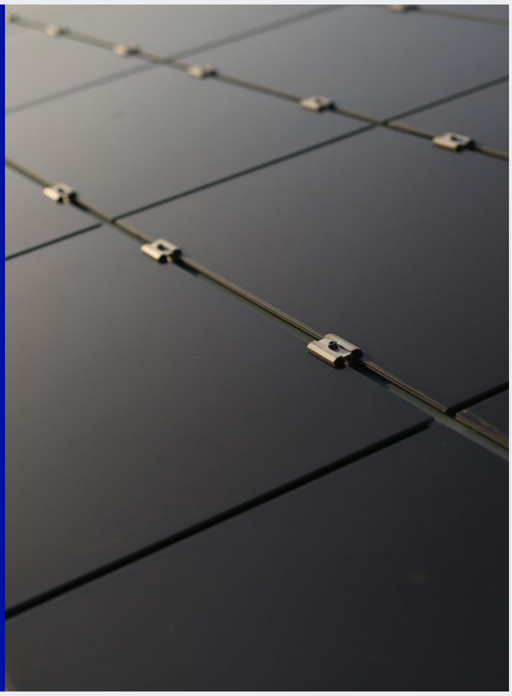
Chariot's unique offering is its large network of affiliated companies through the Pella Group with operations in 17 countries, predominantly in mining, that can be leveraged to deploy projects into the Transitional Power business and rapidly grow the pipeline above the already large 500MW.

ESSAKANE CASE STUDY

- The gold mine at Essakane, Burkina Faso, has 15MW of solar PV power supplied to it as part of a hybrid solar-thermal power solution; 6 million litres of fuel per year will be saved through replacement with clean solar energy.
- The AEMP team (Benoit Garrivier and Laurent Coche) was involved in all stages of the project from origination of the mine, including: designing the size and determining the operating philosophy of the hybrid power plant; obtaining local authorisations and permits; selection of the engineering, procurement and construction contractor; financing; and, operating post-completion.
- At the time of completion, the largest hybrid PV-HFO power plant in the world and one of the largest solar facilities in sub-Saharan Africa.
- The project supplies off-grid gold mine with competitive and carbon-free electricity resulting in a reduction of approximately 18,500 tons CO_2 per year. The project's carbon credits are registered with UN to enable funding of additional community projects

ESG Credentials

- Supplies off-grid gold mine with competitive and carbon-free electricity
- 100% of ongoing project staff are nationals
- Carbon credits registered with UN - funding of additional community projects



DELIVERING INVESTMENT IN SCALABLE PROJECTS

Being funded to proceed on the fast-track timeline to first gas maximises project value but also enables greater flexibility in forthcoming negotiations with strategic partners, which ultimately protects shareholder value.

FUNDING AND LIQUIDITY AS AT 31 DECEMBER 2020

The Group entered 2021 with cash of US$3.7 million as at 31 December 2020 (31 December 2019: US$9.6 million), no debt or remaining work programme commitments. The equity fundraising announced post year-end of US$23 million means the Group is capitalised to execute its strategy to both monetise the high value Anchois gas discovery and expand its highly scalable Transitional Power stream.

The extensive cost reduction programme in the first half of 2020 reduced the Company's annual cash overhead to c.US$2.5 million which has enabled us to move forward with a lower cost base and leaner foundation whilst still retaining our operational capability.

During 2020, the Group continued to develop its portfolio and business by investing c.US$6 million into its exploration portfolio and administration activities (31 December 2019: c.US$10 million) primarily in the Lixus licence in Morocco.

As at 31 December 2020, US$0.5 million of the Group's cash balances were held as security against licence work commitments. The decrease from US$0.7 million at 31 December 2019 was due to the release of Moroccan bank guarantees.

FINANCIAL PERFORMANCE – YEAR ENDED 31 DECEMBER 2020

The Group's loss after tax for the year to 31 December 2020 was US$70.6 million, which is US$66.5 million higher than the US$4.1 million loss incurred for the year ended 31 December 2019. The vast majority of this increase in the annual loss is due to an impairment charge of US$66.7 million recorded against the full book value of Namibian and Brazilian exploration assets in the first half of the year. This equates to a loss per share of US$(0.19) compared to a loss per share of US$(0.01) in 2019.

The share based payments charge of US$0.2 million for the year ended 31 December 2020 was US$0.5 million lower than the US$0.7 million in the previous year due to the vesting of historic employee and Directors' deferred share awards.

Other administrative expenses of US$3.7 million for the year ended 31 December 2020 is slightly higher than US$3.4 million in the prior year reflecting one-time restructuring costs incurred in the period which are expected to decrease annual cash overhead from c.US$4.5 million to c.US$2.5 million.

Finance income of US$0.5 million (31 December 2019: US$0.2 million) relates to the holding of higher cash balances in Sterling to meet administrative expenses in the current year resulting in higher foreign exchange gains. Finance expenses of less than US$0.1 million (31 December 2019: US$0.2 million) reflect the unwinding of the discount on the lease liability under IFRS 16.

The tax expense of less than US$0.1 million in the year to 31 December 2020 (31 December 2019: less than US$0.1 million) relates to Brazilian taxation levied on interest income.

EXPLORATION AND APPRAISAL ASSETS AS AT 31 DECEMBER 2020

In light of the challenging business environment which has been further compounded by the impact of Covid-19, our exploration activities in both Namibia and Brazil have been assessed as non-core with any potential future value to be derived from drilling of offset wells by third parties nearby, which are anticipated in the near term. The Company retains the Central Blocks, Namibia and BAR-M Blocks, Brazil and will continue to host data-rooms for potential partnering. The carrying value of the Group's exploration and appraisal assets has therefore decreased by US$65.5 million to US$12.8 million from US$78.3 million as at 31 December 2019, with the US$66.7 million impairment of Namibian and Brazilian exploration assets being offset being offset by US$1.2 million investment into the Lixus licence in Morocco to focus on and progress the Anchois gas development.

OTHER ASSETS AND LIABILITIES AS AT 31 DECEMBER 2020

Having provided fully against the remaining value of inventory from its earlier drilling campaigns, the remaining items were disposed of for scrap value in the second half of the year resulting in a charge of US$0.5 million to the income statement.

As at 31 December 2020, the Group's net balance of current trade and other receivables and current trade and other payables shows a net current liability position of US$0.2 million (31 December 2019: US$1.8 million) with the decrease primarily due to reduction in overhead payables and settlement of outstanding payables for seismic reprocessing studies on the Lixus licence.

Under IFRS 16 the Group has recognised a depreciating right-of use asset of US$0.7 million (31 December 2019: US$1.0 million) and a corresponding lease liability based on discounted cashflows of US$0.8 million (31 December 2020: US$1.2 million), with the decreases explained by depreciation and rental commitments paid that are partially offset by unwinding of the discount on the lease liability.

OUTLOOK

Two highly regarded institutional lenders expressed their interest to provide debt finance to the development of Anchois, recognising the project has strong ESG credentials as well as being a highly scalable opportunity with bankable economic fundamentals. We will look to build on these discussions as the appraisal operations progress as well as continue to seek strategic partners, potentially with Moroccan parties.

The recently completed fundraise in June 2021 of US$23 million means Chariot is funded to drill an appraisal well on Anchois at the end of 2021 as operator. The same team that executed the 2018 drilling campaign on time and significantly under budget is being assembled and we look forward to the operation of a safe, efficient and cost effective well. Being funded to proceed on the fast-track timeline to first gas maximises project value but also enables greater flexibility in forthcoming negotiations with strategic partners, which ultimately protects shareholder value.

The Board has considered scenarios where there is insufficient cash to complete these planned, but uncommitted expenditures. Based on these forecasts the Board has determined that as the timing of these expenditures are within the Company's discretion, they have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

Julian Maurice-Williams
Chief Financial Officer

24 June 2021

US$3.7M

NO DEBT, CASH OF US$3.7 MILLION

US$23M

FUNDRAISE COMPLETED POST YEAR-END

FAST TRACKING HIGH VALUE GAS DEVELOPMENT IN MOROCCO

TRANSITIONAL GAS

OVERVIEW

Chariot's key asset, the Lixus Offshore licence in Morocco, was secured in 2019. This licence area contains the Anchois gas discovery (made by Repsol in 2009) which contains 361 Bcf of 2C Contingent Resources as independently assessed by NSAI and represents a high value gas appraisal and development project which is on track to be drilled in Q4 2021.

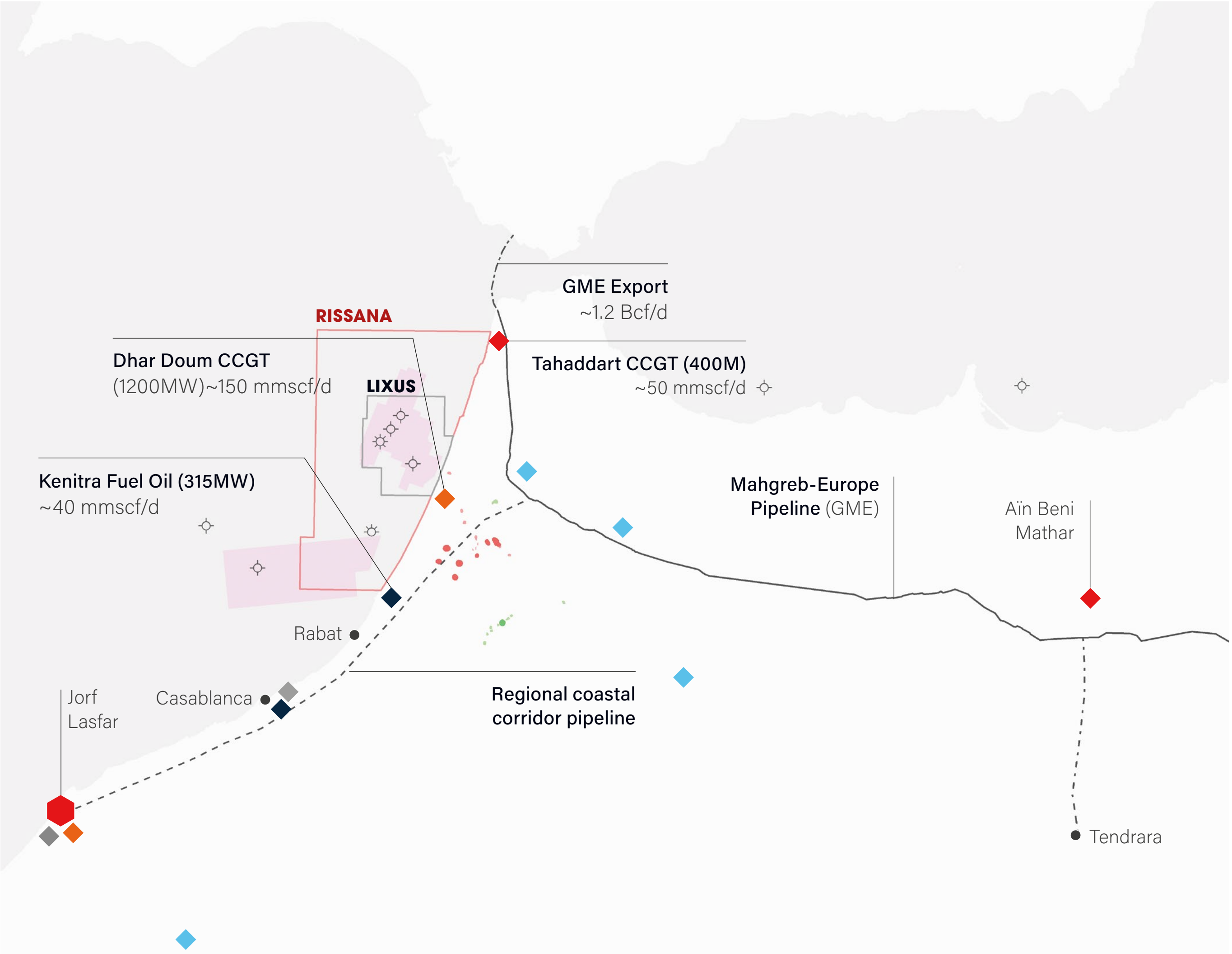
The Anchois discovery was made in high quality reservoirs and with a favourable gas composition which together facilitate a development solution underpinned by conventional technology with delivery of gas into a growing market with strong established prices. Importantly the gas bearing reservoirs are directly imaged on seismic data, and the resulting calibration of this data helps not only to evaluate the extent of the known gas resource with confidence, but also to describe a significant and low risk portfolio of analogous exploration prospects.

As part of the rationale for the Lixus Offshore licence application, the team recognised the potential for a commercial development of the Anchois discovery in a lower cost environment, supported by a maturing local gas market, along with substantial remaining exploration potential in the same play. With the support of our local partner ONHYM, we were able to quickly secure the acreage under excellent terms and begin our evaluation with a comprehensive dataset of 2D and 3D seismic data, well data and our regional expertise built across various projects in-country since 2013.

To date, in the initial licence phase, Chariot has reprocessed in excess of 1,400 km² 3D PSDM seismic data and 1,000 km 2D seismic data. This work, along with various regional and geophysical studies, has enabled Chariot to mature the portfolio and further assured the team in the significant resource potential of the licence area.

SUBSURFACE

The Anchois discovery was made in Tertiary aged turbidite reservoirs, deposited in a deepwater mini-basins, developed above the pre-Rifaine nappe (or Olistostrome) that formed during the Alpine orogeny as Africa and Europe collided. Gas was discovered in two sands, Gas Sands A and B, which both recorded gas columns of approximately 50m, with 22m and 33m of net gas pay respectively. These reservoir sands exhibit excellent petrophysical properties with porosity averages ranging from 26% to 28% and sampling in Gas Sand B demonstrated the potential for multi-Darcy permeability. The gas-bearing reservoirs have distinctive seismic signatures with bright, high amplitudes and far-offset (AVO) seismic anomalies, which increase the confidence in the lateral extent of those sands away from the discovery well location.



MOROCCO: GAS INFRASTRUCTURE & GAS MARKET OPTIONALITY

Based on the legacy 2010 PSTM 3D seismic data, an Independent Estimate of the Contingent Resources associated to the Anchois discovery by NSAI in 2019 was 156 Bcf of 1C (or Proven) resources, 307 Bcf of 2C (or Probable) resources and 433 Bcf of 3C (or Possible) resources. Following the 2020 3D seismic reprocessing campaign, the 1C resource assigned to the Anchois discovery was revised to 201 Bcf, the 2C resource revised to 361 Bcf and the 3C resource to 550 Bcf; these numbers were also independently audited by NSAI. This uplift in resources provided greater confidence in the commerciality of the discovered gas resources.

In addition to the description of the gas discovered in the well, Chariot's team also identified 3 prospective undrilled gas sands, with similar distinctive seismic attributes to the discovery sands that would offer low risk exploration upside adjacent to the discovery well. The C and M sand targets in Anchois Deep are at approximately the same elevation to where thin gas bearing sands were identified in the discovery well. This well also established very good reservoir properties in the M sand, albeit water-bearing in a down-dip location. Finally, the O sand reservoir provides prospective resource in both Anchois Deep prospect and the adjacent Anchois Footwall structural prospect.

Again, NSAI performed an independent estimation on the resource potential of these reservoirs, resulting in a total best estimate (2U) of 690 Bcf of prospective resources across these targets, which could be cost-effectively tested in combination with appraisal or development drilling on the Anchois field.

DRILLING APPRAISAL

The primary objective of the planned Anchois Appraisal programme is to unlock development of the A & B Sands by confirming the gas resource volumes, reservoir quality and well productivity required to underpin the development of the field. The second objective is for the well to provide an optimised production location; by suspending it for future re-entry and completion as a producer well in the field development plan. This surface location is likely to serve as an optimised site for subsea infrastructure and top-hole location for additional producers in the same part of the field. The third and final objective of the programme is to explore other prospective sands by deepening the well into the C, M & O reservoirs to directly unlock additional gas resources in Anchois and to also de-risk adjacent prospects by providing further calibration of the seismic data.

KEY

- Pipeline
- Planned pipeline
- Planned LNG Terminal

PLANTS

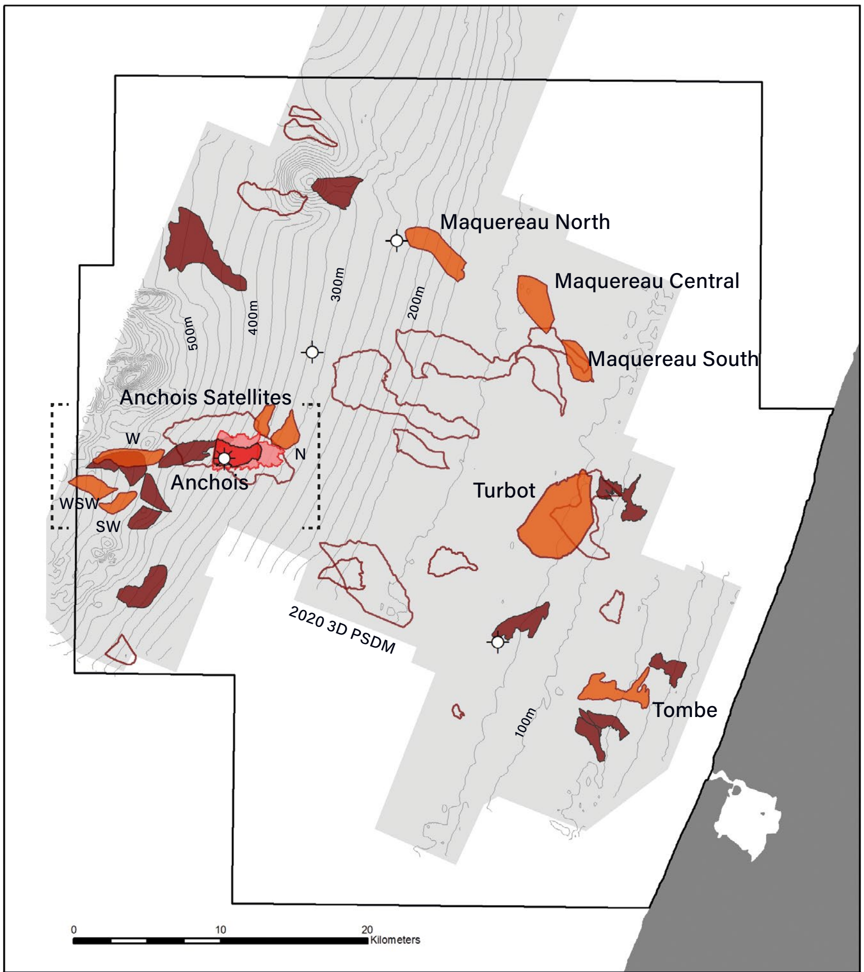
- Gas
- Planned gas
- Hydro
- Coal
- Fuel Oil

DEVELOPMENT CONCEPT

Chariot has further matured the subsea-to-shore development concept for the Anchois gas field, through pre-FEED studies performed with Xodus, an engineering consultancy owned by Subsea 7. This work validated the concept and, thanks to the favourable subsurface conditions, has identified the possibility to use standardised technology and to optimise costs. The excellent reservoir properties will allow producer wells to produce gas at high rates, which reduces the number of initial producer wells required and therefore reduces the associated drilling and completion costs and subsea complexity. The excellent gas quality, without impurities such as carbon dioxide or hydrogen sulphide, means that standard materials and technology can be used for the flowline and processing facility. Again, this keeps costs down and also shortens the lead time be reducing up-front engineering and shortening the procurement cycle. Chariot intends to continue discussions with engineering providers to ensure that any development of Anchois can be achieved in a cost-effective and timely manner. The pre-FEED study focused on an initial development with two subsea producers tied to an onshore Central Processing Facility ('CPF'), with a capacity to process 70 mmscfd. From the CPF an onshore pipeline connects to the Maghreb-Europe Gas Pipeline, giving access to both Moroccan domestic markets and export routes into Spain. This work reduces the estimated initial CAPEX by approximately 30% versus the feasibility studies performed in 2019, which has a direct positive impact on the economics of the project. Domestic markets in Morocco offer attractive gas prices to both the industrial and power markets and the Company is progressing discussions with various potential gas offtake customers ahead of appraisal drilling on the Anchois gas field. The large Spanish market provides the scale and opportunity to sell any surplus gas above domestic requirements and for additional prospective resources to be monetised quickly once they are discovered.

GAS MARKET AND FINANCING

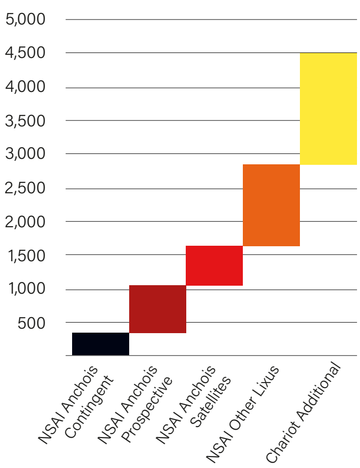
Primary energy demand in Morocco has doubled since the year 2000 and is forecast to double again from 2015 to 2030. In terms of power generation, imported fossil fuels dominate, with Morocco relying on imports for over 90% of its primary energy needs. Since the construction of the Maghreb-Europe Pipeline ("GME") in 2004, Morocco has been importing gas from Algeria for power generation with domestic based Ain Beni Mathar and Tahaddart power stations consuming around 100 mmscfd since 2012. The Moroccan government has been working on policies designed to improve security of supply, to provide industries access to cleaner energy at a low cost, and to minimise the environmental impact of its energy mix. As part of this process, gas has been a major factor in its vision, including the possibility of imported LNG and the construction of further power infrastructure.



LIXUS OFFSHORE PORTFOLIO

KEY
- Anchois Gas Discovery (CR/PR)
- Independently Audited Prospects
- Other Lixus Prospects
- Other Lixus Leads

Lixus Mio-Pliocene Portfolio 2C/2U (Bcf)



Clearly indigenous Moroccan gas, such as that from an Anchois Field development, has the ability to fuel these existing and planned CCGT power stations (thus displacing the need to import gas from Algeria), reduce the volumes required from imported LNG projects, switch expensive and underutilised fuel oil power stations to gas and to reduce dependency on imported coal. Over and above power projects, there is a proven fast-growing industrial demand for gas with prices already established in the region of US$10-11/mcf. Once a material gas resource such as Anchois is connected to an industrial region such as that of Morocco's Atlantic coast, with the stretch from Kenitra to Casablanca adjacent to Anchois representing 62% of Morocco's GDP, it is anticipated that industrial gas consumption will grow significantly, through a variety of possible delivery networks such as piped gas and virtual pipelines utilising Liquified Natural Gas ("LNG") or Compressed Natural Gas ("CNG"). This will allow industrial customers to switch from other more expensive fuels such as fuel oil and imported Liquefied Petroleum Gas ("LPG"). Furthermore, with a connection to the GME pipeline, for which ownership transitions to Morocco in 2021, surplus gas from the Anchois Field development

361 BCF
ANCHOIS 2C RESOURCE

690 BCF
ANCHOIS 2U RESOURCE

could potentially be exported to the Iberian Peninsula, highlighting the project's flexibility in commercial options. Lixus boasts excellent contract terms in what is widely known internationally to be a favourable fiscal environment. There is a 10-year corporate tax holiday from the commencement of production and a low 3.5% royalty on gas produced offshore at the water depth of the Anchois discovery, with ONHYM paying their 25% share of the development. The 10-year tax holiday is an important incentive to encourage the initiation of a domestic offshore gas supply.

In October 2020, Chariot announced an Expression of Interest ("EOI") from Africa Finance Corporation ("AFC"), a pan-African Multilateral Development Financial Institution, for the provision of development debt finance for the Anchois Gas Discovery. An EOI was also received for the provision of Reserves Base Lending for the development of Anchois with a Multinational Investment Bank. Both EOIs take into account the estimated capex required to bring the development online, anticipated to be in the region of US$300 million, but they also identify Lixus as being an important strategic asset, with strong ESG credentials, that has the potential to help Morocco transition to a low carbon economy, as it seeks to satisfy an anticipated doubling in domestic demand for energy over the next 20 years.

LIXUS EXTENDED PORTFOLIO

With lessons learnt from the work on Anchois, additional prospects surrounding the Anchois discovery that share the same reservoir systems and possess very similar seismic attributes were identified on the 3D PSDM seismic data. Anchois and its satellites are an amplitude and AVO supported discovery and prospect inventory with remaining recoverable resources in combination in excess of 1.5 Tcf, as independently estimated by NSAI in 2020. This portfolio is within a 10km radius of the planned Anchois subsea production infrastructure, demonstrating a potentially high-value, low risk and material resource base for growth in the medium term.

In addition to the satellites, five further exploration prospects (Turbot, Tombe, Maquereau North, Maquereau Central and Maquereau South) were identified on the 3D PSTM and independently estimated by NSAI within the same play in 2019. These prospects offer the potential to be additional production centres beyond the Anchois area for the longer term, in the case of successful exploration drilling, and contribute to a total remaining 1.2 Tcf 2U prospective resources.

Beyond the potential captured in the independently estimated portfolio, the exploration team are continually maturing exploration play systems across the newly reprocessed 3D PSDM seismic data and have identified new prospects since the most recent audit that are estimated to contribute an additional >1.5 Tcf to the portfolio. The licence also contains other play systems including both a shallower gas play within the younger Pliocene reservoir systems and a high risk, high reward play in the Mesozoic reservoirs, trapped in large thrusted structures of the sub-nappe section which have only been unveiled thanks to the improvements in image quality from the seismic reprocessing project.

FORWARD PLAN 2021/22

- Detailed well engineering, complete tendering on rig and logistics services, accelerate operational planning for operated appraisal drilling in Q4 2021
- Mature the gas commercialisation opportunities, development plan, drilling preparatory work and strategic alliances to progress funding solutions
- Continued evaluation of the PSDM reprocessing and depth conversion techniques to further refine the understanding of the Anchois discovery and identification of further exploration opportunities within the shallow low-risk gas play
- Develop regional understanding in order to mature the potentially giant-scale targets in the sub-nappe play
- Identify and evaluate new venture opportunities to expand the Transitional Gas portfolio and continue to provide cleaner energy solutions to developing countries across Africa

US$500M*

NET NPV10

>30%*

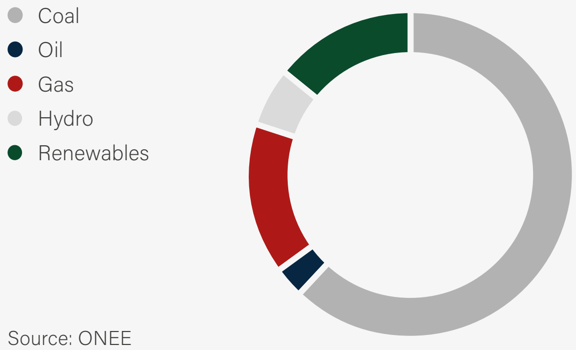
IRR

US$200M*

UP TO US$200M ANNUAL REVENUE

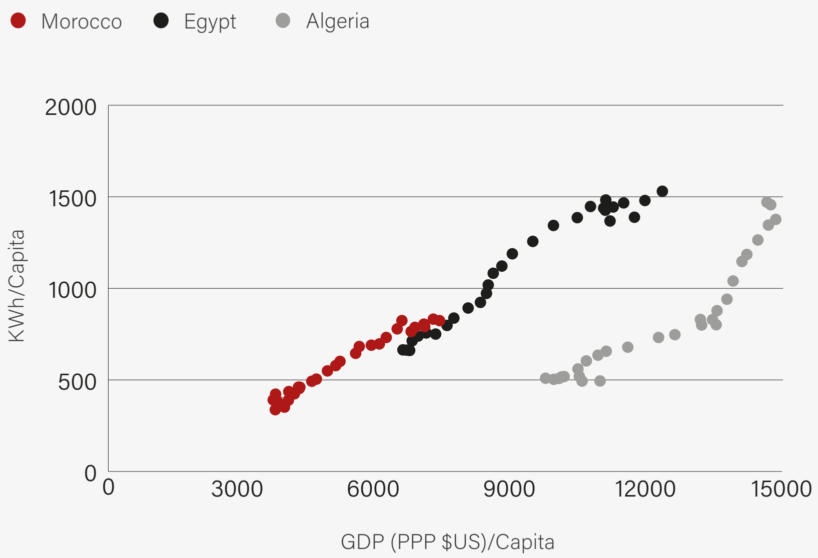
* Internal estimate base case supported by audited 2C 361 Bcf resource, 70mmscfd, 8-11$/mcf to power and industry

MOROCCO POWER GENERATION BY FUEL 2018

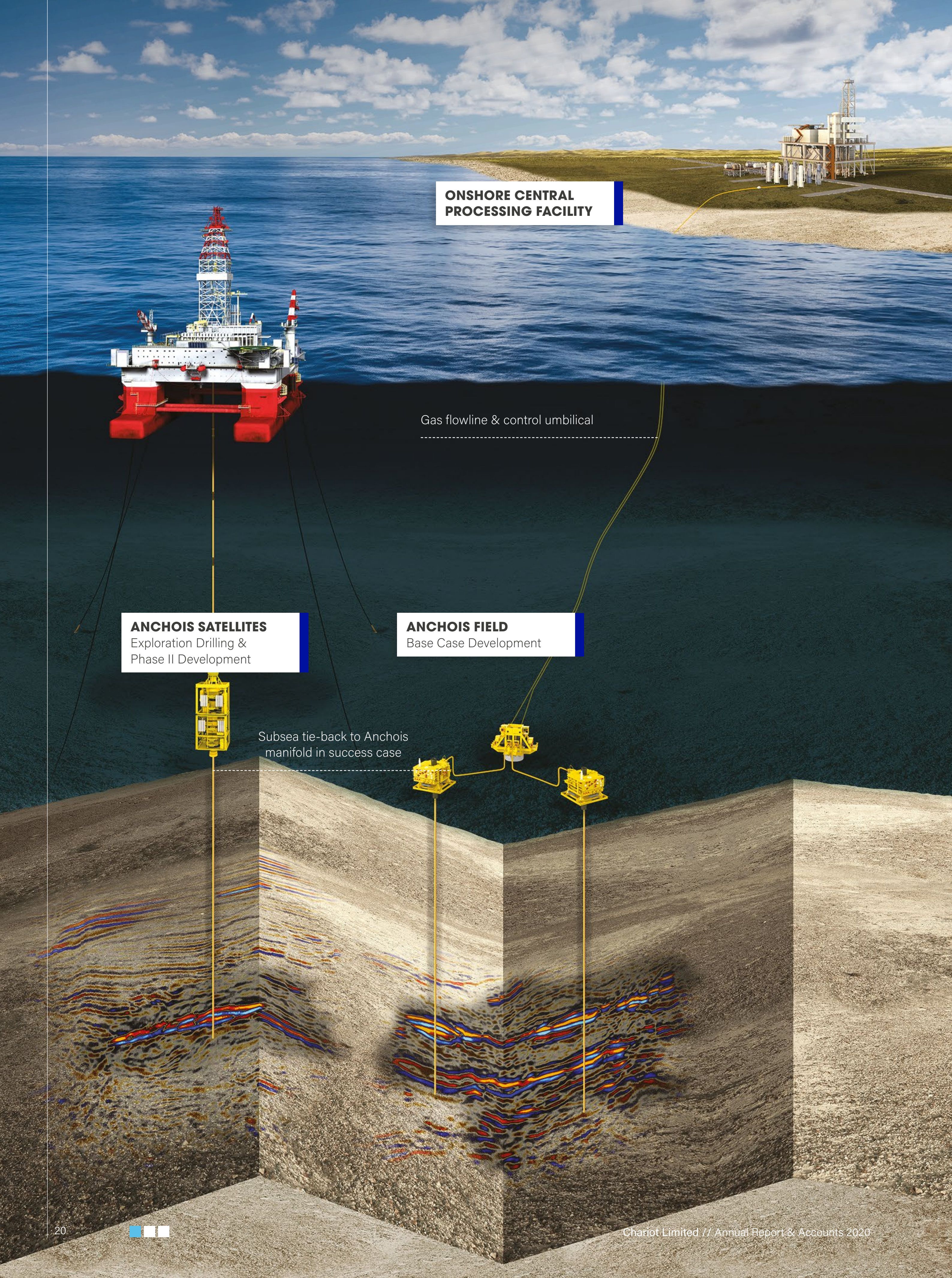


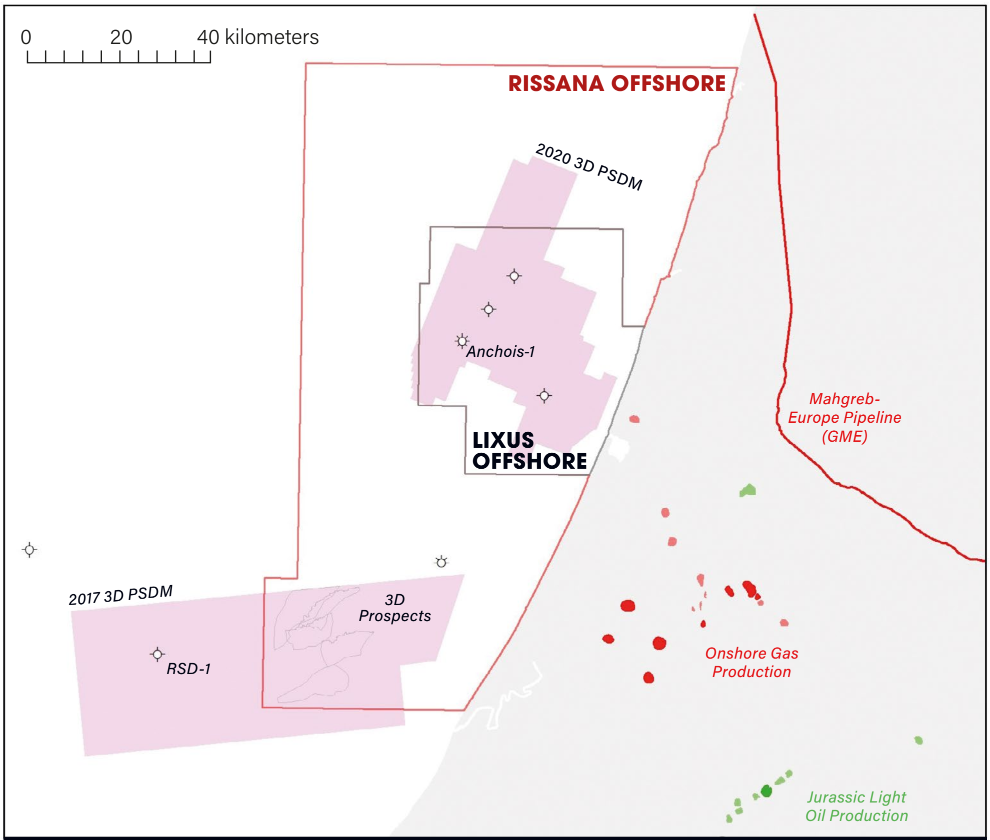
Source: ONEE

MOROCCO POWER CONSUMPTION & GDP GROWTH
1990 to 2018



Source: Gas Strategies


ONSHORE CENTRAL PROCESSING FACILITY
Gas flowline & control umbilical
ANCHOIS SATELLITES
Exploration Drilling & Phase II Development
ANCHOIS FIELD
Base Case Development
Subsea tie-back to Anchois manifold in success case



RISSANA OFFSHORE

RISSANA OFFSHORE*

- Operator, 75% working interest
- Partnership with ONHYM, 25%
- Licence area: 8,476km^2
- 1,000km 2D seismic commitment

* Formal award expected in 2021 subject to the normal Moroccan regulatory procedures and approvals

EXPLORATION PORTFOLIO:

Rissana Offshore

In 2020, Chariot announced the agreement of key terms on the new Rissana Offshore licence in Morocco. The formal award of the licence is expected in the second half of 2021, subject to Moroccan regulatory procedures and approvals. The licence will surround the offshore boundaries of Chariot's existing Lixus Offshore Licence, as well as covering the most prospective northern areas of the previously held Mohammedia Offshore and Kenitra Offshore licences. Chariot will hold a 75% interest and operatorship in partnership with ONHYM which will hold a 25% interest.

Following relinquishment of Mohammedia Offshore and Kenitra Offshore, the prospective areas already covered by 3D seismic data will be incorporated into the Rissana licence. This provides material potential running room in various plays including the Mio-Pliocene gas play surrounding the Lixus licence, on-trend with the Anchois Gas Discovery, and the Mesozoic play including prospects inherited from the legacy portfolio as well as new exploration targets.

Initial minimum licence commitment is the acquisition of a 2D seismic survey, over a portion of the acreage, which will help to evaluate the extension and potential of these plays across Rissana.

Brazil

Chariot has fulfilled the current period commitments on its acreage in the Barreirinhas basin, with drill ready targets under evaluation for potential drilling in the next phase of the licence. Multiple third party well commitments across the basin remain and the results of any operations are anticipated to help deliver key information regarding Chariot's acreage. Amongst these, Petrobras are expected to drill first on the Guajuru prospect.

In an underexplored deepwater basin, the results from these wells will be important in revealing the exploration potential of the basin and de-risking a portfolio of >1.4Bnbbls of (unaudited) estimated prospective resource.

Namibia

Following the drilling of the Prospect S exploration well in 2018, which fulfilled the work commitments in the current licence period of the PEL-71 licence and post-well evaluation studies have been completed.

The industry anticipates that between 2 and 4 exploration wells will be drilled offshore Namibia in the near-term, including wells on the Venus (Total) and Graff (Shell) prospects. We continue to mature our understanding of the potential of our Namibia acreage and host data rooms for potential farminees, whilst we await results from nearby drilling which may help to de-risk the remaining prospectivity in our Namibian exploration portfolio.

Duncan Wallace
Technical Director

24 June 2021

INVESTMENT INTO NEW RENEWABLE AND HYBRID POWER DEVELOPER

"I am delighted to announce the acquisition of AEMP. We believe this move will provide Chariot with numerous further valuable, exciting and scalable projects that complement and build on our value accretive Transitional Gas project in Morocco. The acquisition also plays to Chariot's and its managements' significant experience and other business interests within the mining sector in Africa. We are already well advanced in adding to the project pipeline and we look forward to announcing these when appropriate. This is clearly a 1+1=3 type transaction for all parties.

We welcome Benoit, Laurent, and their team into the Chariot family, and we thank Total Eren for their strong support of this transaction. The strategic partnership with Total Eren is a highly valuable relationship, that we will look to strengthen and grow over the coming years.

The last nine months has been a busy and transformational period for Chariot under its new management team and over the coming period we will continue to look for other energy transition ventures which will further complement and build upon the high value projects we are currently looking to fast-track."

Adonis Pouroulis
Acting Chief Executive Officer of Chariot

6m

LITRES FUEL SAVED PER DAY

18,500

REDUCTION OF CO_2/TONNE PER YEAR

1%

OF PROJECT REVENUES DEDICATED TO COMMUNITY INVESTMENT

TRANSITIONAL POWER

AEMP ACQUISITION

On 23 March 2021, Chariot announced the acquisition of AEMP, a renewable and hybrid energy project developer with an ongoing strategic partnership with Total Eren, a leading player in renewable energy. Total S.A., the French multinational energy company, has a direct and indirect shareholding of approximately 30% in Total Eren. AEMP and Total Eren (the "Partners") are initially looking to provide clean, sustainable, and more reliable energy to operational mines in Africa, which represents a largely untapped market in which the Board has numerous high-level contacts.

STRATEGIC PARTNERSHIP WITH TOTAL EREN

Under the joint venture with Total Eren, Chariot has the right to invest in up to 15% project equity at cost in projects developed by the Partners and the Group currently recovers its overhead costs as part of the partnership, providing an immediate post-acquisition revenue stream to finance ongoing costs. To date, the Partners have built a pipeline of 500MW of African mining power projects and the Group will seek to grow and deploy more projects into this pipeline, going beyond mining into other industries, state-owned enterprises and governments across Africa.

"Total Eren warmly welcomes Chariot into this strategic partnership. We believe the combination of AEMP's experienced team with Chariot's wide reach to the African mining industry will bring further value accretive opportunities to our collaboration. Together, we are determined to address mining companies' energy needs and provide them with clean and competitive renewable energy solutions, even in remote areas."

Fabienne Demol
Executive Vice-President & Global Head of Business Development at Total Eren

AEMP ACQUISITION

In the post-period Chariot incorporated a new 100% subsidiary, Chariot Transitional Power Limited, which signed SPAs with the shareholders of African Energy Management Platform and AEMP Essakane Solar SAS for the acquisition of the business of AEMP and the related 10% holding in the Essakane project.

Initial consideration payable on completion of the share purchase agreement is US$1.16 million in Chariot Ordinary Shares based on the 30-day VWAP prior to the signing of the SPAs (representing 9,196,926 shares) and US$0.09 million in cash which will be funded from Chariot's existing reserves. Deferred consideration up to US$0.75 million is payable within a 24-month period dependent on certain project pipeline targets being met as well as the retention of key members of the AEMP team. This deferred consideration is payable in Chariot Ordinary Shares based on the 30-day VWAP prior to the signing of the SPAs (representing a maximum of 5,946,288 shares).

Ordinary Shares issued under the initial and deferred consideration will be subject to a lock-in period of 12 months. The combined AEMP business had an unaudited profit after tax of US$0.2 million in the year ended 31 December 2020.

ESSAKANE PROJECT

The Partner's first project, supplying 15MW of solar PV power as part of a hybrid solar-thermal power solution to the Essakane gold mine in Burkina Faso, was at the time of completion the largest hybrid PV-HFO power plant in the world and one of the largest solar facilities in sub-Saharan Africa with 130,000 solar panels. Chariot holds 10% project equity through the AEMP acquisition, with Total Eren holding the remaining 90%. The solar PV power decreases the mine's fuel consumption by approximately 6 million litres per year and reduces its annual CO_2 emissions by nearly 18,500 tons, thus supplying an off-grid gold mine with competitive and carbon-free electricity. The AEMP team was involved in all stages of the project from origination of the mine, including: designing the size and determining the operating philosophy of the hybrid power plant; obtaining local authorisations and permits; selection of the engineering, procurement and construction contractor; financing; and, operating post-completion. The project's successful completion and generation of returns provide proof of concept and a valuable showcase from which replication and scale-up is anticipated. The combined competitiveness of solar energy with this ESG impact is creating a vast market for clean energy solutions in Africa, and Chariot intends to replicate this Essakane model across the pipeline to meet our key value of positive impact on all our projects, supporting clients in strengthening their ESG performance and their social licence to operate.

MANAGEMENT TEAM

The experienced team of Benoit Garrivier and Laurent Coche, the founders of AEMP, will join Chariot to lead the transitional power business. The Board welcomes both Benoit and Laurent into Chariot's innovative and dynamic management team and look forward to working with Total Eren in partnership to deliver highly attractive projects in an exciting growth market, providing clean energy solutions across the continent of Africa.

"I am very excited about joining the Chariot family. Teaming up with Chariot's highly experienced management will allow us to take our partnership with Total Eren to the next level. Building on our award-winning Essakane solar project, we look forward to growing our pipeline of projects to transform the energy market for mining. This is a fantastic opportunity to create an innovative transitional energy group focused on Africa and support our clients in their move towards green energy and reduction of their carbon footprint."

Benoit Garrivier
Co-Founder of AEMP

ASSESSING AND MANAGING RISKS

The Group is subject to various risks including those which derive from the nature of its oil and gas exploration activities. The following list sets out the Group's principal risks and uncertainties and also provides details as to how these are managed.

RISK	DESCRIPTION	MITIGATION
Funding and Financing Risk	The nature of the Group's business of exploring in deep offshore regions means that there are significant costs associated with seismic and drilling campaigns.	The Group manages this risk in a number of ways. The Group closely monitors its cash position and each month produces updated cash flow forecasts to help it determine whether it has sufficient financial resources to fund its short and medium term operations. The Group also ensures that it always has adequate levels of cash on deposit with varying terms of maturity to match when significant items of expenditure become due. In addition, the Group is continually seeking to reduce its exposure to large expensive projects by engaging with farm-in partners with a view to reducing its equity stakes in the licences in which it operates and where the Group is unable to attract partners it may relinquish assets. To date, the Group has been successful in both managing its cash position and bringing large, well-funded partners into its licences.
Exploration Risk	There is no assurance that the Group's exploration activities will be successful.	Recognising this, the Group continually seeks to manage this risk by managing its funding and financing risk as described above and, in particular, by bringing in farm-in partners who have demonstrable technical skills and experience in similar projects worldwide. The Group has so far been successful with this strategy by introducing strong industry partners to its licences, including Woodside and Eni. Furthermore, the Group seeks to employ individuals with strong technical skills and experience in the areas in which it operates. This is evidenced by the fact that a number of the Group's Board and Senior Technical Team have previously worked both offshore and onshore in Namibia, throughout West and North Africa and in Brazil.
Operating Risk	The nature of oil and gas operations means that the Group is exposed to risks such as equipment failure, well blowouts, fire, pollution and bad weather.	In order to mitigate these risks, the Group ensures that: it adopts best in class industry operating and safety standards; it has sufficient levels of relevant insurance cover; and it only works with fellow operators and world-class contractors who can demonstrate similar high standards of safety, operating and financial capability.
Covid-19	Post year end the Covid-19 pandemic has caused severe and unexpected disruption both to the economy and to working practices.	In order to mitigate against this risk the Group announced that its corporate strategy was to focus on monetising the near term potential of the Lixus licence and maximising value for investors by developing a Moroccan gas business. In addition a restructuring, to reduce annual running costs, has been undertaken to deliver this strategy, with a continued focus on capital discipline.
Environmental Risk	The Group is extremely conscious of the environmental risks that are inherent in the oil and gas industry and, in particular, those that exist as a result of operating offshore.	Given this, the Group works closely with the relevant ministries to ensure that all relevant Environmental Impact Studies are undertaken in advance of any proposed seismic or other offshore operations that are undertaken and that best in class industry environmental standards and practices are adopted by the Group in all of its operations. The Group engages with third party contractors for readiness planning and potential execution concerning i) any potential pollution incident and ii) emergency response planning related to drilling campaigns. Furthermore, during seismic acquisition programmes, the Group routinely deploys marine mammal observers on vessels who are empowered to stop or modify the seismic programme if they deem it necessary. Whilst the Group can never fully mitigate against the cost and implications of future changes in environmental legislation and regulation, its strong working relationship with the governments in the countries in which it operates places it in a good position to be able to work through any potential significant changes that could arise in the future.

CORPORATE SOCIAL RESPONSIBILITY

Chariot supports the growing awareness of social, environmental and ethical matters when considering business practices. This statement provides an outline of the policies in place that guide the Group and its employees when dealing with social, environmental and ethical matters in the workplace.

E

ENVIRONMENTAL & SOCIOECONOMIC POLICY

Chariot adopts an environmental policy which sets standards that meet or exceed industry guidelines and host government regulations. This is reviewed on a regular basis. Wherever we operate we will develop, implement and maintain management systems for sustainable development that will strive for continual improvement.

Prior to any seismic acquisition programmes and in preparation for the drilling of wells, Chariot will employ environmental consultants to carry out area specific Environmental Impact Assessments ("EIAs") which are approved by the relevant ministries. Chariot intends to carry out all necessary requirements to ensure that the environment in and around its areas of interest is maintained to the highest standard. During all seismic acquisition programmes, Chariot employs marine mammal observers to travel on board the seismic vessels. These observers compile marine mammal and bird count statistics which will assist in the preparation of future EIAs.

With regards to preparation for drilling, Chariot will use its Environmental Management Plan which will be implemented from preparatory stage to well completion. Whilst drilling is underway, an Oil Spill Response and Emergency Response plan will be put in place. At the point of discovery, an Environmental Management System will be developed to co-ordinate and monitor environmental activities and report the performance over the lifetime of the field from discovery to development, through to abandonment.

Social impacts will also form part of these assessments and preliminary work in this area will consider the local communities and the local economic effects on a progressive and permanent level. It is Chariot's aim to ensure that all the likely environmental and socioeconomic impacts will be managed with skill, care and diligence in accordance with professional standards.

Chariot is committed to maintaining and regularly reviewing its Health and Safety and Environmental (HSE) policies.

S

EQUAL OPPORTUNITY AND DIVERSITY

Chariot promotes and supports the rights and opportunities of all people to seek, obtain and hold employment without discrimination. It is our policy to make every effort to provide a working environment free from bullying, harassment, intimidation and discrimination on the basis of disability, nationality, race, sex, sexual orientation, religion or belief.

EMPLOYEE WELFARE

Chariot aims to assist employees at all levels to improve their professional abilities and to develop their skills.

The Group will practice manpower and succession planning in regard to the number and type of personnel resources that will be required in the future. Individual career progression activities are developed with this in mind.

G

CODE OF CONDUCT

Chariot maintains and requires the highest ethical standards in carrying out its business activities in regard to dealing with gifts, hospitality, corruption, fraud, the use of inside information and whistle-blowing. Chariot has a zero tolerance policy towards bribery.

JOINT VENTURE PARTNERS, CONTRACTORS AND SUPPLIERS

Chariot is committed to being honest and fair in all its dealings with partners, contractors and suppliers. The Group has a policy to provide clarity and protection, within its terms of business, to ensure the delivery and receipt of products and services at agreed standards. Procedures are in place to ensure that any form of bribery or improper behaviour is prevented from being conducted on Chariot's behalf by joint venture partners, contractors and suppliers. Chariot also closely guards information entrusted to it by joint venture partners, contractors and suppliers, and seeks to ensure that it is never used improperly.

OPERATING RESPONSIBLY AND CONTINUOUS IMPROVEMENT

Chariot is committed to a proactive quality policy to ensure that stakeholders are satisfied with its results and the way in which the business operates and to promote continuous improvement in the overall operation of the Group. In pursuit of these objectives, Chariot will use recognised standards and models as benchmarks for its management systems.

EXPERIENCED OPERATIONAL TEAM

ADONIS POUROULIS
Acting Chief Executive Officer

Experience
Adonis, one of the founders of Chariot and its Namibian subsidiary Enigma, is a mining entrepreneur whose expertise lies in the discovery, exploration, financing and development of mineral resources including diamonds, precious metals, base metals and more recently battery metals. Adonis has lead various teams that have built new mining assets from exploration through and into production. Recent focus has been on developing and bringing battery metal recycling businesses into production as well as investing in green energy projects with an emphasis on industries producing clean and sustainable energy.

Adonis has worked in the sector for over 25 years and has been influential in the founding, financing and growth of a number of companies, including Petra Diamonds. Adonis founded Petra in 1997 and it became the first diamond company to float on AIM. He was executive chair of Petra until 2011 and oversaw it becoming one of Africa's largest diamond producers leading to Petra being a constituent of the FTSE250 for many years. After more than 20 years at the helm of Petra he stepped down in 2020. Adonis is the founder and chair of the Pella Resources Group, an African focused natural resources group. Pella has created a strong track record in exploration and mine development across the continent, with goal to generate early stage private companies and develop them into individual private / public companies. Pella and its associated companies have a presence in 17 African countries. More recently Pella has collaborated and been a seed investor in various technology metal related and renewable energy companies operating globally.

JULIAN MAURICE-WILLIAMS
Chief Financial Officer

Experience
Julian is a Chartered Accountant with over fifteen years of experience in the oil and gas sector. Prior to being promoted in May 2015 Julian was Chariot's Group Financial Controller for 3 years.

Before joining Chariot in 2012 he was a manager within BDO LLP's natural resources department in London where his client portfolio included Main Market, AIM and ASX quoted oil and mining companies with exploration and production assets primarily in Africa, the Former Soviet Union, South America, Australia and Asia.

DUNCAN WALLACE
Technical Director

Experience
Duncan is a geologist with 20 years of experience in the sector and joined Chariot in 2013 as Exploration Manager. He has overseen the Company's exploration activities since then, including two high profile deepwater exploration wells in 2018 and, more recently, the identification and integration of the Lixus Offshore licence in Morocco which contains the Anchois gas appraisal and development project. He has an MSc from Imperial College and joined the Board of Directors of Chariot in 2020 as Technical Director.

COMMITTEE MEMBERSHIP KEY

- N Nomination Committee
- R Remuneration Committee
- C Corporate Governance Committee
- A Audit Committee

GEORGE CANJAR
Non-Executive Chairman

Experience
George has more than 40 years of experience in the oil industry and began his career at Shell, having graduated with a BSc in Geologic Engineering from the Colorado School of Mines. George is currently actively consulting in corporate organizational structure, technical integration, data solutions and A&D.

His career began with 17 years at Royal Dutch/Shell Oil. He then became a founding member of Carrizo Oil & Gas serving as Vice President of Exploration and Development for seven years. More recently he was Executive Vice President and Chief Operating Officer for Davis Petroleum Corporation for seven years. George then served as Technical Director of Global New Business Development at Hess Corporation between 2012 and 2018. His career has spanned a broad spectrum of the E&P sector involving all petroleum engineering, development, and exploration disciplines as well as corporate planning and finance. His expertise lies in deal structuring, A&D, portfolio optimization, risk analysis and tactical execution. George has repeatedly been the catalyst that integrated technical management, finance and commercial alignment to project implementation.

ANDREW HOCKEY
Non-Executive Director

Experience
Andrew has over 35 years' experience in the oil & gas industry, with specific expertise in the development and production of gas assets.

Andrew is currently CEO of IOG Plc, a UK-based development and production operator with UKCS gas assets in the Southern North Sea.

He has previous experience with Eni, Fina, LASMO, Triton Energy and Monument. Andrew was a founder of Fairfield Energy Limited with whom he is a Non-Executive Director and was previously a Non-Executive Director and Chairman of Sound Energy Plc, a mid-cap Moroccan gas company.

ROBERT SINCLAIR
Non-Executive Director

Experience
Robert has over 50 years' experience in finance and accountancy 40 years of which have been gained in the Guernsey financial services industry.

Robert is a director and the chairman of the audit committee of Rainbow Rare Earths Limited, which is listed on the London Stock Exchange. Robert was formerly the Chairman and a director of both Sirius Real Estate Limited and Schroder Oriental Income Fund Limited and formerly a director of Picton Property Income Limited all of which are listed on the London Stock Exchange He is a Fellow of the Institute of Chartered Accountants in England and Wales and a Member of the Institute of Chartered Accountants of Scotland. Robert is resident in Guernsey.

CHRIS ZEAL
Non-Executive Director

Experience
Chris has had over 30 years of experience in the City providing top level advice to boardrooms across a wide range of sectors. During this time he was retained by some 20 FTSE100 companies including British Gas, Cairn Energy, and Tullow Oil. Latterly he was Managing Director at Jefferies Hoare Govett (a division of Jefferies Inc.) specialising in corporate broking and investment banking; and prior to that, he held a similar role at Citigroup. Originally, he trained and qualified as a Chartered Accountant with KPMG. Currently Chris is a Director of Ventus 2 VCT plc, a company invested in a portfolio of companies operating wind and hydroelectric renewable energy assets in the UK.

REMUNERATION COMMITTEE

The Group's Remuneration Committee comprises Chris Zeal (Chairman) and George Canjar.

The main purpose of the Remuneration Committee is to:

- make recommendations to the Board on an overall remuneration policy for Executive Directors and other senior executives in order to retain, attract and motivate high quality executives capable of achieving the Group's objectives; and
- demonstrate to shareholders that the remuneration of the Executive Directors of the Group is set by a committee whose members have no personal interest in the outcome of their decision and who will have due regard to the interests of the shareholders.

PROCEDURES FOR DEVELOPING POLICY AND FIXING REMUNERATION

The Board fixes executive remuneration and ensures that no Director is involved in deciding his or her own remuneration. The Committee is authorised to obtain outside professional advice and expertise.

The Remuneration Committee is authorised by the Board to investigate any matter within its terms of reference and it is authorised to seek any information that it requires from any employee.

DETAILS OF THE REMUNERATION POLICY

The fees to be paid to the Directors are recommended by the Remuneration Committee and are subject to approval by the full Board.

DIRECTORS' SERVICE AGREEMENTS

Service agreements for Directors are terminable by either party on notice periods varying between 3 and 12 months.

DIRECTORS' REMUNERATION

The following remuneration comprises Directors' fees and benefits in kind that were paid to Directors during the year:

	Fees / basic salary US$000	Performance cash bonus US$000	Benefits in kind US$000	Pension contribution US$000	Payment in lieu of notice US$000	**Year ended 31 December 2020 Total US$000**	Year ended 31 December 2019 Total US$000
G Canjar	80	–	–	–	–	80	128
L Bottomley[1]	194	187	–	–	468	849	420
A Pouroulis	131	–	–	–	–	131	57
J Maurice-Williams[2]	108	–	1	9	–	118	–
D Wallace[2]	108	–	1	9	–	118	–
R Sinclair	36	–	–	–	–	36	57
C Zeal	36	–	–	–	–	36	57
A Hockey	36	–	–	–	–	36	34
Total	**729**	**187**	**2**	**18**	**468**	**1,404**	**753**

1 L Bottomley resigned as a Director on 20 July 2020.

2 J Maurice-Williams and D Wallace were appointed as Directors on 21 July 2020.

DIRECTORS' INTERESTS IN SHARES

The Directors who held office at the end of the year had the following interests in the issued share capital of the Group:

	31 December 2020	31 December 2019
G Canjar	741,573	741,573
A Pouroulis[1]	28,554,671	28,554,671
R Sinclair	412,000	412,000
C Zeal	198,023	198,023
Total	**29,906,267**	**29,906,267**

1 28,454,671 shares are held by Westward Investments Limited, a company which is owned by a discretionary trust of which A Pouroulis is one of a number of beneficiaries.

SHARE OPTIONS

The Group operates a Share Option Scheme pursuant to which Directors and senior executives may be granted options to acquire Ordinary shares in the Company at a fixed option exercise price. All remaining options granted under the plan lapsed during the year.

Further details of the Share Option Scheme can be found in note 20.

NON-EXECUTIVE DIRECTORS' RESTRICTED SHARE UNITS ("RSU")

The Group operates an RSU scheme pursuant to which Non-Executive Directors may be awarded shares for nil consideration. The awards vest in equal instalments over a three year period on the anniversary of the grant date unless otherwise specified.

Further details of the RSU scheme can be found in note 20.

The Directors who held office at the reporting date and who had interests in the RSU scheme are:

	RSU held at 31 December 2019	**RSU held at 31 December 2020**	Grant date	Expiry date
A Pouroulis	18,533	18,533	20/9/13	20/9/23
A Pouroulis	504,202	504,202	23/9/14	23/9/24
A Pouroulis	72,463[1]	72,463[1]	9/11/16	8/11/26
A Pouroulis	109,795[2]	109,795[2]	4/8/17	3/8/27
G Canjar	51,265	51,265	20/9/13	20/9/23
G Canjar	159,000	159,000	24/9/13	24/9/23
G Canjar	57,513	57,513	23/9/14	23/9/24
G Canjar	75,060	75,060	20/7/15	20/7/25
G Canjar	318,841[1]	318,841[1]	9/11/16	8/11/26
G Canjar	412,389[2]	412,389[2]	4/8/17	3/8/27
G Canjar	450,000	450,000	20/5/19	19/5/29
R Sinclair	18,533	18,533	20/9/13	20/9/23
R Sinclair	212,000	212,000	24/9/13	24/9/23
R Sinclair	72,463[1]	72,463[1]	9/11/16	8/11/26
R Sinclair	109,795[2]	109,795[2]	4/8/17	3/8/27
C Zeal	198,023	198,023	20/5/19	19/5/29
Total	**2,839,875**	**2,839,875**		

1 Vests in three equal instalments on 30 June 2017, 2018 and 2019.
2 Vests in three equal instalments on 30 June 2018, 2019 and 2020.

LONG TERM INCENTIVE SCHEME ("LTIP")

The Group operates a LTIP scheme pursuant to which Directors and employees may be awarded shares for nil consideration.

Further details of the LTIP scheme can be found in note 20.

The Directors who held office at the reporting date and who had interests in the LTIP scheme are:

	LTIPs held at 31 December 2019	Granted during the year	**LTIPs held at 31 December 2020**	Grant date	Exercisable from	Expiry date
J Maurice-Williams	133,333	–	**133,333**	11/2/14	11/2/17	10/2/24
J Maurice-Williams	218,750	–	**218,750**	18/2/15	18/2/18	17/2/25
J Maurice-Williams	433,125	–	**433,125**	20/5/16	20/5/19	19/5/26
J Maurice-Williams	869,566	–	**869,566**	9/11/16	30/6/19	8/11/26
J Maurice-Williams	625,000	–	**625,000**	13/4/17	1/1/20	12/4/27
J Maurice-Williams	677,791	–	**677,791**	4/8/17	30/6/20	3/8/27
J Maurice-Williams	212,308	–	**212,308**	15/6/18	1/1/21	14/6/28
J Maurice-Williams	256,654	–	**256,654**	6/8/18	30/6/21	5/8/28
J Maurice-Williams	306,250	–	**306,250**	2/7/19	1/1/22	1/7/29
D Wallace	501,409	–	**501,409**	26/8/13	26/8/14[1]	25/8/23
D Wallace	531,250	–	**531,250**	18/2/15	18/2/16[1]	17/2/25
D Wallace	637,500	–	**637,500**	20/5/16	20/5/17[1]	19/5/26
D Wallace	637,500	–	**637,500**	20/3/17	20/3/18[1]	19/3/27
D Wallace	319,375	–	**319,375**	15/4/19	15/4/20[1]	14/4/29
Total	**6,359,811**	**-**	**6,359,811**			

1 Vests in equal instalments over a three year period on the anniversary of the grant date.

By order of the Board

Chris Zeal
Chairman of the Remuneration Committee

24 June 2021

This Committee currently comprises Robert Sinclair (Chairman) and Andrew Hockey.

The Audit Committee met two times during the year. The Auditors have unrestricted access to the Chairman of the Audit Committee. Audit Committee meetings are usually attended by the Auditor and, by invitation, senior management.

The main responsibilities of the Audit Committee include:

- monitoring the integrity of the Group's financial statements, including review of the financial statements of the Company including its annual and half-yearly reports and any formal announcements relating to its financial performance;
- reviewing the effectiveness of the Group's financial reporting, internal control policies and procedures for the identification, assessment and reporting of risk;
- monitoring the effectiveness of the internal control environment;
- making recommendations to the Board on the appointment of the Auditors;
- making a recommendation to the Board on Auditors' fees;
- agreeing the scope of the Auditors' annual audit programme and reviewing the output;
- ensuring the independence of the Auditors is maintained;
- assessing the effectiveness of the audit process; and
- developing and implementing policy on the engagement of the Auditors to supply non-audit services.

The Audit Committee has considered the Group's internal control and risk management policies and systems, their effectiveness and the requirements for an internal audit function in the context of the Group's overall risk management system. The Committee is satisfied that the Group does not currently require an internal audit function; however, it will continue to periodically review the situation.

An essential part of the integrity of the financial statements lies around the key assumptions and estimates or judgments to be made. The Committee reviewed and was satisfied that the judgements exercised by management contained within the Report and Financial Statements are reasonable.

Details of fees payable to the Auditors are set out in Note 4.

Robert Sinclair
Chairman of the Audit Committee

24 June 2021

The Chairman and Directors support and take responsibility for high standards of corporate governance. AIM rules require AIM companies to comply or explain against a recognised corporate governance code. The Group has decided to adhere to the Quoted Companies Alliance's (QCA) Corporate Governance Code. The QCA Code is constructed around ten broad principles, details of which, along with the approach taken in respect of each principle at the Group, are below. The Board is not aware of any departure from the principles of the QCA Code.

QCA CODE

PRINCIPLE	APPLICATION
1. Establish a strategy and business model which promote long-term value for shareholders.	For information on Chariot's business model, strategy and key challenges please refer to the CEO report on pages 10-13.
2. Seek to understand and meet shareholder needs and expectations.	Communications with shareholders are given a high priority by the Board of Directors, who take responsibility for ensuring that a satisfactory dialogue takes place. Directors plan to meet with the Group's institutional shareholders following the announcement of interim and final results and at other appropriate times. The Directors are also in regular contact with stockbrokers' analysts and hold calls for private investors at least twice a year. The Company ensures that all shareholders and investors have equal access to the Company's information, and it has procedures to ensure that all price sensitive information will be disclosed to the London Stock Exchange, and subsequently its corporate website, in accordance with continuous disclosure requirements.
3. Take into account wider stakeholder and social responsibilities and their implications for long-term success.	See page 25.
4. Embed effective risk management, considering both opportunities and threats, throughout the organisation.	The Directors acknowledge their responsibility for the Company's system of internal control and for reviewing its effectiveness. The system of internal control is designed to safeguard the Company's assets and interests and to help ensure accurate reporting and compliance with applicable laws and regulation. Despite the inherent presence of certain limitations in any system of internal control, the Board considers that the Company's existing risk assessment systems operated effectively throughout the year. The Corporate Governance Committee maintains a comprehensive risk register which is reviewed at least annually. The identified risks are assessed based on likelihood and magnitude and then reviewed by senior management and the Board with the aim of allowing appropriate action to be taken at an early stage. The Audit Committee meets at least two times a year with the auditors and the auditors are encouraged to raise any comments on internal controls which if raised are acted upon by senior management and the Board. Further information on relevant specific risks are detailed in the Risk Management Statement on page 24.
5. Maintain the Board as a well-functioning, balanced team led by the chair.	The Board meets frequently to consider all aspects of the Group's activities. A formal schedule of matters reserved for the Board has been issued and approved and includes overall strategy and approval of major capital expenditure. The Board consists of the Chairman, Executive Directors and Non-Executive Directors. All Directors have access to the advice and services of the Company Secretary and the Group's professional advisors. The Executive Directors are full time and the Non-Executive Directors commit such time and attention as is necessary for the proper discharge of responsibilities, normally involving a time commitment of not more than two days per month. George Canjar, Chris Zeal and Andrew Hockey are considered to be independent Non-Executive Directors. Full details of the Directors including, background, relevant experience and current role, including appointments to Board Committees are detailed in pages 26 and 27 and 32 and 33.
6. Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities.	Full details of the Directors including, background, relevant experience and current role, including appointments to Board Committees are detailed in pages 26 and 27 and 32 and 33.

PRINCIPLE	APPLICATION
7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement.	The Board continually assesses the capabilities of the team and where the need has been identified seeks to make appointments which will enhance knowledge and skillset in delivering on the strategy. With this in mind, the Nomination Committee meets at least annually and is responsible for reviewing the structure, size and composition of the Board, succession planning, preparing a description of the role and capabilities required for a particular appointment, identifying and nominating candidates to fill Board positions and evaluating the performance and effectiveness of the Board. Full details of the Board Committees are contained in pages 32 and 33.
8. Promote a corporate culture that is based on ethical values and behaviours.	Chariot supports the growing awareness of social, environmental and ethical matters when considering business practices. There are policies in place that guide the Group and its employees when dealing with social, environmental and ethical matters in the workplace. Further information is detailed in page 25.
9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board.	A summary of the governance structures and processes is detailed in the Corporate Governance page on the Chariot website.
10. Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.	The outcome of all shareholders' votes will be disclosed on the Chariot website in a clear and transparent manner. Copies of all historic annual reports and other governance-related material including notices of all general meetings are disclosed on the Chariot website. Further details of the Board committees are disclosed below. An annual Remuneration report is disclosed on pages 28 and 29.

WORKINGS OF THE BOARD AND ITS COMMITTEES

The Board of Directors

The Board meets frequently to consider all aspects of the Group's activities. A formal schedule of matters reserved for the Board has been issued and approved and includes overall strategy and approval of major capital expenditure.

The Board consists of the Chairman, Executive Directors and Non-Executive Directors. All Directors have access to the advice and services of the Company Secretary and the Group's professional advisors.

The Chairman

The Chairman's role is to lead the Board, set its agenda, ensure it receives accurate, timely and clear information and oversee the adoption, delivery and communication of the Company's Corporate Governance recommendations. Furthermore the Chairman ensures effective communication within the Board, its Committees and senior management and takes a leading role in determining the composition and structure of the Board.

Corporate Governance Committee

The Corporate Governance Committee comprises Andrew Hockey (Chairman) and Chris Zeal.

The purpose and objective of the Corporate Governance Committee is to provide a structured mechanism to consider Corporate Governance at Chariot. It provides guidance on all material corporate governance issues affecting the Group and makes recommendations to the Board on these issues. It also aims to monitor all developments and emerging best practice in Corporate Governance and to ensure adoption by Chariot at the appropriate juncture. Furthermore, the Corporate Governance Committee provides an overview on the effectiveness of the Board as a whole, each Board committee and the individual Directors in their roles as Board/Board Committee members.

Remuneration Committee

The Remuneration Committee comprises Chris Zeal (Chairman) and George Canjar.

The purpose of the Remuneration Committee is to make recommendations to the Board on an overall remuneration policy for Executive Directors and other senior executives in order to retain, attract and motivate high quality executives capable of achieving the Group's objectives. Furthermore, it serves the purpose of demonstrating to shareholders that the remuneration of the Executive Directors for the Group is set by a committee whose members have no personal interest in the outcome of their decision and who will have due regard to the interests of the shareholders.

Audit Committee

The Audit Committee comprises Robert Sinclair (Chairman) and Andrew Hockey.

The Audit Committee is responsible for monitoring the quality of any internal financial controls and for ensuring that the financial performance of the Group is properly monitored, controlled and reported on. It also meets the Group's auditors and reviews reports from the auditors relating to accounts and any internal financial control systems.

Nomination Committee

The Nomination Committee comprises George Canjar (Chairman) and Robert Sinclair.

The Nomination Committee meets at least annually and is responsible for reviewing the structure, size and composition of the Board, succession planning, preparing a description of the role and capabilities required for a particular appointment, identifying and nominating candidates to fill Board positions and evaluating the performance and effectiveness of the Board.

Relations with shareholders

Communication with shareholders is given a high priority by the Board of Directors which takes responsibility for ensuring that a satisfactory dialogue takes place. Directors plan to meet with the Company's institutional shareholders following the announcement of interim and final results and at other appropriate times. The Directors are also in regular contact with stockbrokers' analysts. The Company has developed a website containing investor information to improve communication with individual investors and other interested parties.

Internal control

The Directors acknowledge their responsibility for the Company's system of internal control and for reviewing its effectiveness. The system of internal control is designed to safeguard the Company's assets and interests and to help ensure accurate reporting and compliance with applicable laws and regulation. Despite the inherent presence of certain limitations in any system of internal control, the Board considers that the Company's existing systems operated effectively throughout the year.

Meetings held during 2020

	Board Meetings 10 held	Audit Committee 2 held	Remuneration Committee 3 held	Nomination Committee 1 held	Corporate Governance Committee 1 held
G Canjar	10	–	3	1	–
L Bottomley[1]	4	–	–	–	–
A Pouroulis[2]	9	2	–	1	–
J Maurice-Williams[2]	6	–	–	–	–
D Wallace[2]	6	–	–	–	–
R Sinclair	10	2	–	–	1
C Zeal	10	–	3	–	1
A Hockey	10	–	–	–	–

1 L Bottomley resigned as a Director on 20 July 2020.

2 A Pouroulis was appointed Acting CEO and J Maurice-Williams and D Wallace were appointed as Directors on 21 July 2020, resulting in a reconstitution of Committees from 21 July 2020 onwards.

The Directors present their report together with the audited financial statements for the year ended 31 December 2020.

RESULTS AND DIVIDENDS

The results for the year are set out on page 40.

The Directors do not recommend payment of a final dividend (31 December 2019: US$Nil).

PRINCIPAL ACTIVITY

The principal activity of the Group is exploration and appraisal of oil and gas assets.

GOING CONCERN

The Directors consider that the Group has adequate financial resources to enable it to continue in operation for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

BUSINESS REVIEW AND PRINCIPAL RISKS AND UNCERTAINTIES

A full review of the Group's activities during the year, recent events and expected future developments is contained within the Chairman's Statement, the Chief Executive Officer's Review, the Chief Financial Officer's Review and the Technical Director's Review of Operations. These pages also form part of this Report of the Directors.

The Group is subject to various risks including those which derive from the nature of its oil and gas exploration and appraisal activities. The Risk Management Statement sets out the Group's principal risks and uncertainties and also provides details as to how these are managed.

KEY PERFORMANCE INDICATORS

The Group has certain Key Performance Indicators ("KPIs") which seek to align its performance with the interests of its key stakeholders. These KPIs cover share price performance versus peers, management of cash resources and working capital, efficient growth of resource base, conversion of resources to reserves, capital expenditure versus budget, securing additional finance when required and maintaining high HSE standards. Further details of business performance are detailed in the Chairman's Statement and Chief Executive Officer's Review.

FINANCIAL INSTRUMENTS

Details of the use of financial instruments by the Group are contained in note 19 to the financial statements.

DIRECTORS

The Directors of the Company during the year were:

George Canjar (Non-Executive Chairman)	
Larry Bottomley (Chief Executive Officer)	Resigned 20 July 2020
Adonis Pouroulis (Previously Non-Executive Director)	Appointed Acting CEO 21 July 2020
Robert Sinclair (Non-Executive Director)	
Chris Zeal (Non-Executive Director)	
Andrew Hockey (Non-Executive Director)	
Julian Maurice-Williams (Chief Financial Officer)	Appointed 21 July 2020
Duncan Wallace (Technical Director)	Appointed 21 July 2020

Details of Directors' interests in shares, share options, LTIPs and RSUs are disclosed in the Directors' Remuneration Report.

DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Report of the Directors and the financial statements for the Group in accordance with applicable Guernsey law and regulations.

Guernsey legislation requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year.

The Directors have elected to prepare the financial statements in accordance with IFRS as adopted by the European Union. International Accounting Standard 1 requires that the financial statements present fairly for each financial year the Group's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's "Framework for the preparation and presentation of financial statements". In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. A fair presentation also requires the Directors to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements that are reasonable and prudent;
- State whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

All of the current Directors have taken all the steps they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next General Meeting.

By order of the Board

Adonis Pouroulis
Acting Chief Executive Officer

24 June 2021

OPINION ON THE FINANCIAL STATEMENTS

In our opinion:

- the financial statements give a true and fair view of the state of the Group's affairs as at 31 December 2020 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

We have audited the financial statements of Chariot Limited and its subsidiaries (the 'Group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Financial Position, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group's ability to continue to adopt the going concern basis of accounting included the following procedures:

- We agreed the opening and May cash position of the Group's cash flow forecast to the bank statements.
- We vouched the cash receipts of the latest share offering to either the Group's bank statements or other corroborating information where the cash had not been received.
- We obtained management's base case cash flow forecast, and critically analysed the completeness of the amounts included based on our knowledge of the business and its historical performance and results. This included considering the reasonableness of the forecast expenditure in respect of the additional subsidiaries acquired.
- We analysed Management's reverse stress testing to assess the impact of costs increasing during the cash flow period and we obtained Management's sensitised case cash flow forecast, which excluded both the uncommitted expenditure in respect of drilling on the Lixus licence and expected income from the Group's post year-end acquired subsidiaries.
- We reviewed the Group's Lixus licence agreement to confirm the Group's ability to defer drilling an appraisal well should sufficient funds not be available, while remaining in compliance with licence obligations.
- We reviewed the adequacy of disclosures in the financial statements in respect of going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

We consider going concern to be a key audit matter.

OVERVIEW

Coverage	92% (2019: 98%) of Group total assets
Key audit matters	1. Carrying amount of exploration and appraisal costs (2019: Carrying amount of Namibian and Moroccan exploration assets). 2. Going concern – consistent with the prior year
Materiality	**Group financial statements as a whole** $375,000 (2019: $1,800,000) based on 2% of Group total assets (2019: 2% of Group total assets)

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

We determined that there were two significant components which were subject to a full scope audit. The remaining components of the Group were considered non-significant and these components were principally subject to analytical review procedures. The audits of each of the significant components were performed in the UK. All of the audit work was conducted by the Group engagement team.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER		HOW THE SCOPE OF OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Carrying value of exploration and appraisal costs	At 31 December 2020 the carrying value of the exploration and appraisal costs were $12.8 million (2019: $11.5 million), as disclosed in the accounting policies and Note 10 to the financial statements. As the carrying value of these exploration assets represent a significant asset to the Group, we considered it necessary to assess whether any facts or circumstances existed to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, the assets were required to be assessed for impairment indicators in accordance with the accounting standards. Because of the judgement involved in this, we considered this to be a key audit matter.	In regards to the Moroccan exploration assets we critically challenged management's impairment indicator review by performing the following procedures: • we reviewed the Lixus licence agreement and confirmed that it was in good standing; • we considered the appropriateness of continuing to carry the capitalised costs at the relinquished Mohammedia and Kenitra licences and noted that in accordance with the Group's accounting policies detailed in note 1, the Group pools costs on geographic principles and treats Morocco as a single cost pool; • we obtained third party correspondence to confirm the Rissana licence application was advanced, and included prospective areas from the Mohammedia and Kenitra licences; • we inspected the Group's 2020/2021 cash flow forecasts and budgets in respect of their current licence commitments; • we reviewed board minutes and RNS announcements for any indications of impairment; • we reviewed technical data available including reserves/resources and considered the implied value derived; and • we assessed the adequacy of the related disclosure within the accounting policies and Note 10 of the financial statements against the requirements of the accounting standards. **Key observations** We found management's evaluation of impairment indicators for the exploration and evaluation assets to be supportable.

OUR APPLICATION OF MATERIALITY

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

OUR APPLICATION OF MATERIALITY continued

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

GROUP FINANCIAL STATEMENTS	2020 $	2019 $
Materiality Basis for determining materiality	**375,000** 2% of Group total assets	**1,800,000** 2% of Group total assets
Rationale for the benchmark applied	Total Assets was determined as an appropriate basis as the principal focus of the Group remains fundamentally focussed on the advancement and development of its oil and gas assets. As such, we consider the users of the financial statements will look to the statement of financial position and total assets of the Group in order to understand the level of investment.	
Performance materiality Basis for determining performance materiality	**250,000** 67% of Materiality	**1,170,000** 65% of Materiality
Rationale for the benchmark applied	The level of performance materiality was set after considering a number of factors including the expected value of known and likely misstatements and management's attitude towards proposed misstatements.	

Component materiality

We set materiality for each component of the Group based on the size and our assessment of the risk of material misstatement of that component. Component materiality ranged from $300,000 to $200,000. In the audit of each component, we further applied performance materiality levels of between 65% and 70% of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of $7,500 (2019: $35,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OTHER COMPANIES (GUERNSEY) LAW, 2008 REPORTING

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies (Guernsey) Law, 2008 and ISAs (UK) to report on certain opinions and matters as described below.

Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion: • Proper accounting records have not been kept by the Parent Company; or • the Parent Company financial statements are not in agreement with the accounting records; or • we have failed to obtain all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Report of the Directors, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the Group and industry, we identified the principal risk of non-compliance with laws and regulations to be Guernsey Company and tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. As part of our audit work we reviewed and held meetings with the relevant internal Management to form our own opinion on the extent of the Group wide compliance.

In addition, our testing also included, but was not limited to:

- Making enquiries of Management and the audit committee as to whether there are any known instances on non-compliance with laws and regulations;
- Holding discussions with management and the audit committee to understand the laws and regulations relevant to the Group. These included elements of financial reporting framework, Companies (Guernsey) Law, tax legislation and environmental regulations in the UK, Namibia and Morocco;
- Performing targeted journal entry testing based on identified characteristics the audit team considered could be indicative of fraud, for example unusual account combinations, to detect possible irregularities and fraud;
- Performing a detailed review of the Group's year end adjusting entries and investigating any that appear unusual as to nature or amount;
- Testing consolidation entries to ensure consistency and appropriateness of the application of those entries to the financial statements;
- Assessing the judgements made by management when making key accounting estimates and judgements, and challenging management on the appropriateness of these judgements (refer to key audit matter over carrying value of exploration and appraisal costs section of this report);
- Reviewing minutes from board meetings of those charged with governance to identify any instances of non¬compliance with laws and regulations; and
- Communicating relevant identified laws and regulations and potential fraud risks to all engagement team members and remaining alert to any indications of fraud or noncompliance with laws and regulations throughout the audit.

These procedures are designed to address the risk of material misstatements in the financial statements in respect of irregularities, including fraud, but do not provide absolute assurance as to the non-existence of any such misstatements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the Parent Company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law 2008. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Acloque
For and on behalf of BDO LLP, Chartered Accountants
London, UK

24 June 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	**Year ended 31 December 2020 US$000**	Year ended 31 December 2019 US$000
Share based payments	20	(222)	(651)
Loss on disposal of inventory	13	(524)	–
Impairment of exploration asset	10	(66,666)	–
Other administrative expenses		(3,678)	(3,395)
Total operating expenses		(71,090)	(4,046)
Loss from operations	4	**(71,090)**	**(4,046)**
Finance income	6	543	190
Finance expense	6	(72)	(183)
Loss for the year before taxation		**(70,619)**	**(4,039)**
Tax expense	8	(1)	(11)
Loss for the year and total comprehensive loss for the year attributable to equity owners of the parent		**(70,620)**	**(4,050)**
Loss per Ordinary share attributable to the equity holders of the parent – basic and diluted	9	**US$(0.19)**	**US$(0.01)**

All amounts relate to continuing activities.

The notes on pages 44 to 54 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital US$000	Share premium US$000	Contributed equity US$000	Share based payment reserve US$000	Foreign exchange reserve US$000	Retained deficit US$000	Total attributable to equity holders of the parent US$000
As at 1 January 2019	**6,264**	**356,336**	**796**	**4,928**	**(1,241)**	**(277,124)**	**89,959**
Loss and Total comprehensive loss for the year	–	–	–	–	–	(4,050)	(4,050)
Share based payments	–	–	–	651	–	–	651
Transfer of reserves due to issue of share awards	4	167	–	(171)	–	–	–
As at 31 December 2019	**6,268**	**356,503**	**796**	**5,408**	**(1,241)**	**(281,174)**	**86,560**
Loss and total comprehensive loss for the year	–	–	–	–	–	(70,620)	(70,620)
Share based payments	–	–	–	222	–	–	222
Transfer of reserves due to issue of share awards	281	3,106	–	(3,387)	–	–	–
Transfer of reserves due to lapsed share options	–	–	–	(796)	–	796	–
Transfer of reserves	–	–	–	–	1,241	(1,241)	–
As at 31 December 2020	**6,549**	**359,609**	**796**	**1,447**	**–**	**(352,239)**	**16,162**

The following describes the nature and purpose of each reserve within owners' equity.

Share capital	Amount subscribed for share capital at nominal value.
Share premium	Amount subscribed for share capital in excess of nominal value.
Contributed equity	Amount representing equity contributed by the shareholders.
Share based payments reserve	Amount representing the cumulative charge recognised under IFRS2 in respect of share option, LTIP and RSU schemes.
Foreign exchange reserve	Foreign exchange differences arising on translating into the reporting currency.
Retained deficit	Cumulative net gains and losses recognised in the financial statements.

The notes on pages 44 to 54 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Notes	31 December 2020 US$000	31 December 2019 US$000
Non-current assets			
Exploration and appraisal costs	10	12,822	78,264
Property, plant and equipment	11	43	94
Right of use asset	15	655	983
Total non-current assets		**13,520**	**79,341**
Current assets			
Trade and other receivables	12	811	781
Inventory	13	–	524
Cash and cash equivalents	14	3,740	9,635
Total current assets		**4,551**	**10,940**
Total assets		**18,071**	**90,281**
Current liabilities			
Trade and other payables	16	1,060	2,535
Lease liability: office lease	15	409	366
Total current liabilities		**1,469**	**2,901**
Non-current liabilities			
Lease liability: office lease	15	440	820
Total non-current liabilities		**440**	**820**
Total liabilities		**1,909**	**3,721**
Net assets		**16,162**	**86,560**
Capital and reserves attributable to equity holders of the parent			
Share capital	17	6,549	6,268
Share premium		359,609	356,503
Contributed equity		796	796
Share based payment reserve		1,447	5,408
Foreign exchange reserve		–	(1,241)
Retained deficit		(352,239)	(281,174)
Total equity		**16,162**	**86,560**

The notes on pages 44 to 54 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 24 June 2021.

George Canjar
Chairman

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Year ended 31 December 2020 US$000	Year ended 31 December 2019 US$000
Operating activities		
Loss for the year before taxation	(70,619)	(4,039)
Adjustments for:		
Loss on disposal of inventory	524	–
Impairment of exploration asset	66,666	–
Finance income	(543)	(190)
Finance expense	72	183
Depreciation	387	401
Share based payments	222	651
Net cash outflow from operating activities before changes in working capital	**(3,291)**	**(2,994)**
(Increase) / decrease in trade and other receivables	(34)	1,036
(Decrease) / increase in trade and other payables	(728)	930
Cash outflow from operating activities	**(4,053)**	**(1,028)**
Tax payment	(1)	(11)
Net cash outflow from operating activities	**(4,054)**	**(1,039)**
Investing activities		
Finance income	29	217
Payments in respect of property, plant and equipment	(8)	(67)
Payments in respect of exploration assets	(1,971)	(8,828)
Net cash outflow used in investing activities	**(1,950)**	**(8,678)**
Financing activities	–	–
Issue costs	–	–
Payments of lease liabilities	(337)	(287)
Finance expense on lease	(72)	(97)
Net cash outflow from financing activities	**(409)**	**(384)**
Net decrease in cash and cash equivalents in the year	**(6,413)**	**(10,101)**
Cash and cash equivalents at start of the year	**9,635**	**19,822**
Effect of foreign exchange rate changes on cash and cash equivalents	518	(86)
Cash and cash equivalents at end of the year	**3,740**	**9,635**

The notes on pages 44 to 54 form part of these financial statements.

1 GENERAL INFORMATION

Chariot Limited is a company incorporated in Guernsey with registration number 47532. The address of the registered office is Oak House, Hirzel Street, St Peter Port, Guernsey, GY1 2NP. The nature of the Company's operations and its principal activities are set out in the Report of the Directors and in the Technical Director's Review of Operations.

2 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations, as issued by the International Accounting Standards Board (IASB), as adopted by the European Union.

In accordance with the provisions of section 244 of the Companies (Guernsey) Law, 2008, the Group has chosen to only report the Group's consolidated position, hence separate Company only financial statements are not presented.

The financial statements are prepared under the historical cost accounting convention on a going concern basis.

Going concern

During 2020, the directors responded to the market uncertainty related to COVID-19 and commodity price weakness through performing a restructuring to reduce annual running costs. As at 31 December 2020 the Group had cash of US$3.7 million and no debt or commitments.

In June 2021 an equity fundraise completed which raised US$18.8 million with a further US$4.2 million underwritten by Magna Capital LDA (of which the CEO, Adonis Pouroulis is a substantial shareholder). At the date of this report not all the cash from the equity fundraise has been received.

The Directors have reviewed the cash-flow projection for the Group to consider if it has sufficient finance in place to meet its financial commitments for at least 12 months.

The Group is currently looking to secure a rig to perform appraisal drilling at Anchois, which is planned to occur in Q4 2021. In addition, the Group is planning to progress its work programme on the acreage surrounding Anchois. The Company continues to focus on partnering at Lixus, as well to progress its renewable business across mines in Africa and the Board has the reasonable expectation of generating future value and cash from this strategy. The Board has considered scenarios where there is insufficient cash to complete these planned, but uncommitted expenditures. Based on these forecasts the Board has determined that as the timing of these expenditures are within the Company's discretion, they have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

For these reasons, the Directors continue to adopt the going concern basis in preparing the Annual Report and Accounts.

New Accounting Standards

The following new standards and amendments to standards are mandatory for the first time for the Group for the financial year beginning 1 January 2020. The implementation of these standards and amendments to standards has had no material effect on the Group's accounting policies.

Standard	Effective year commencing on or after
IFRS 3: Definition of a Business (Amendments to IFRS 3)	1 January 2020
IAS1, IAS8: Definition of Material (amendments to IAS1 and IAS 8)	1 January 2020
Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020

IFRS 16 – Leases

Under IFRS 16 lease liabilities are initially measured at the present value of the remaining lease payments and discounted using an incremental borrowing rate at the date of recognition. Associated right-of-use assets are measured at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The Group has elected not to recognise right-of-use assets and liabilities for leases where the total lease term is less than or equal to 12 months, or for leases of low-value assets. Low-value assets comprise IT equipment and small items of office furniture. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Further details on the lease liability can be found in note 15.

Exploration and appraisal costs

All expenditure relating to the acquisition, exploration and appraisal of oil and gas interests, including an appropriate share of directly attributable overheads, is capitalised within cost pools.

The Board regularly reviews the carrying values of each cost pool and writes down capitalised expenditure to levels it considers to be recoverable. Cost pools are determined on the basis of geographic principles. The Group currently has three cost pools being Central Blocks in Namibia, Morocco and Brazil. In addition where exploration wells have been drilled, consideration of the drilling results is made for the purposes of impairment of the specific well costs. If the results sufficiently enhance the understanding of the reservoir and its characteristics it may be carried forward when there is an intention to continue exploration and drill further wells on that target.

Where farm-in transactions occur which include elements of cash consideration for, amongst other things, the reimbursement of past costs, this cash consideration is credited to the relevant accounts within the cost pools where the farm-in assets were located. Any amounts of farm-in cash consideration in excess of the value of the historic costs in the cost pools is treated as a credit to the Consolidated Statement of Comprehensive Income.

Inventories

The Group's share of any material and equipment inventories is accounted for at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

2 ACCOUNTING POLICIES continued

Taxation

Income tax expense represents the sum of the current tax and deferred tax charge for the year.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted and are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to the Consolidated Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Foreign currencies

Transactions in foreign currencies are translated into US Dollars at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the closing rates at the reporting date and the exchange differences are included in the Consolidated Statement of Comprehensive Income. The functional and presentational currency of the parent and all Group companies is the US Dollar.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost or fair value on acquisition less depreciation and impairment. Depreciation is provided on a straight line basis at rates calculated to write off the cost less the estimated residual value of each asset over its expected useful economic life. The residual value is the estimated amount that would currently be obtained from disposal of the asset if the asset were already of the age and in the condition expected at the end of its useful life.

Property, plant and equipment are depreciated using the straight line method over their estimated useful lives over a range of 3-5 years.

The carrying value of property, plant and equipment is assessed annually and any impairment charge is charged to the Consolidated Statement of Comprehensive Income.

Share based payments

Where equity settled share awards are awarded to employees or Directors, the fair value of the awards at the date of grant is charged to the Consolidated Statement of Comprehensive Income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of awards that eventually vest. Market vesting conditions are factored into the fair value of the awards granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where the terms and conditions of awards are modified before they vest, the increase in the fair value of the awards, measured immediately before and after the modification, is also charged to the Consolidated Statement of Comprehensive Income over the remaining vesting period.

Where shares already in existence have been given to employees by shareholders, the fair value of the shares transferred is charged to the Consolidated Statement of Comprehensive Income and recognised in reserves as Contributed Equity.

Basis of consolidation

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if it has power over the investee and it is exposed to variable returns from the investee and it has the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between the Group companies are therefore eliminated in full.

Trade and other receivables

Trade and other receivables are stated initially at fair value and subsequently at amortised cost.

Financial instruments

The Group's financial assets consist of a bank current account or short-term deposits at variable interest rates and other receivables. Any interest earned is accrued and classified as finance income.

The Group's financial liabilities consist of trade and other payables. The trade and other payables are stated initially at fair value and subsequently at amortised cost.

Joint operations

Joint operations are those in which the Group has certain contractual agreements with other participants to engage in joint activities that do not create an entity carrying on a trade or business on its own. The Group includes its share of assets, liabilities and cash flows in joint arrangements, measured in accordance with the terms of each arrangement, which is usually pro rata to the Group's interest in the joint operations. The Group conducts its exploration, development and production activities jointly with other companies in this way.

2 ACCOUNTING POLICIES continued

Critical accounting estimates and judgements

The Group makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may deviate from these estimates and assumptions. If these estimates and assumptions are significantly over or under stated, this could cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The areas where this could impact the Group are:

a) Areas of judgement

i. *Recoverability of exploration and appraisal costs*
Expenditure is capitalised as an intangible asset by reference to appropriate cost pools and is assessed for impairment when circumstances suggest that the carrying amount may exceed its recoverable value.

ii. *Treatment of farm-in transactions*
All farm-in transactions are reflected in these financial statements in line with the accounting policy on Exploration and Appraisal Costs. Farm-in transactions are recognised in the financial statements if they are legally complete during the year under review or, if all key commercial terms are agreed and legal completion is only subject to administrative approvals which are obtained within the post balance sheet period or are expected to be obtained within a reasonable timeframe thereafter.

iii. *Covid-19*
The Covid-19 pandemic has caused severe and unexpected disruption both to the economy and to working practices. In order to mitigate against this risk the Group has made changes to its corporate strategy to diversify its risk profile, focus on monetising the near term potential of the Lixus licence and maximising value for investors by developing a Moroccan gas business. A restructuring to reduce annual running costs was undertaken to deliver this strategy, with further changes made in July 2020 at Board level that have resulted in an acquisition of a renewables business and an equity fundraise in the post period.

3 SEGMENTAL ANALYSIS

The Group has two reportable segments being exploration and appraisal and corporate costs. The operating results of each of these segments are regularly reviewed by the Board of Directors in order to make decisions about the allocation of resources and assess their performance.

31 December 2020

	Exploration and Appraisal US$000	Corporate US$000	Total US$000
Share based payment	–	(222)	(222)
Loss on disposal of inventory	(524)	–	(524)
Impairment of exploration asset	(66,666)	–	(66,666)
Administrative expenses	(182)	(3,496)	(3,678)
Finance income	–	543	543
Finance expense	–	(72)	(72)
Tax expense	–	(1)	(1)
Loss after taxation	(67,372)	(3,248)	(70,620)
Additions to non-current assets	1,224	8	1,232
Total assets	12,822	5,249	18,071
Total liabilities	(366)	(1,543)	(1,909)
Net assets	12,456	3,706	16,162

31 December 2019

	Exploration and Appraisal US$000	Corporate US$000	Total US$000
Share based payment	–	(651)	(651)
Administrative expenses	(365)	(3,030)	(3,395)
Finance income	–	190	190
Finance expense	–	(183)	(183)
Tax expense	–	(11)	(11)
Loss after taxation	(365)	(3,685)	(4,050)
Additions to non-current assets	4,028	67	4,095
Total assets	78,788	11,493	90,281
Total liabilities	(1,113)	(2,608)	(3,721)
Net assets	77,675	8,885	86,560

4 LOSS FROM OPERATIONS

	31 December 2020 US$000	31 December 2019 US$000
Loss from operations is stated after charging:		
Loss on disposal of inventory	524	–
Impairment of exploration asset	66,666	–
Depreciation of property, plant and equipment	59	73
Depreciation of Right of Use asset	328	328
Share based payments – Long Term Incentive Scheme	200	614
Share based payments – Restricted Share Unit Scheme	22	37
Auditors' remuneration:		
Fees payable to the Company's Auditors for the audit of the Company's annual accounts	60	56
Audit of the Company's subsidiaries pursuant to legislation	15	14
Fees payable to the Company's Auditors for the review of the Company's interim accounts	–	10
Total payable	**75**	**80**

5 EMPLOYMENT COSTS

Employees

	31 December 2020 US$000	31 December 2019 US$000
Wages and salaries	1,444	3,016
Payments in lieu of notice / compromise payments	487	–
Pension costs	94	128
Share based payments	156	321
Sub-total	**2,181**	**3,465**
Capitalised to exploration costs	(773)	(2,410)
Total	**1,408**	**1,055**

Key management personnel

	31 December 2020 US$000	31 December 2019 US$000
Wages, salaries and fees	916	753
Payment in lieu of notice	468	–
Social security costs	179	75
Pension costs	18	–
Share based payments	66	330
Sub-total	**1,647**	**1,158**
Capitalised to exploration costs	(119)	(403)
Total	**1,528**	**755**

The Directors are the key management personnel of the Group. Details of the Directors' emoluments and interest in shares are shown in the Directors' Remuneration Report.

6 FINANCE INCOME AND EXPENSE

Finance income

	31 December 2020 US$000	31 December 2019 US$000
Foreign exchange gain	518	–
Bank interest receivable	25	190
Total	**543**	**190**

Finance expense

	31 December 2020 US$000	31 December 2019 US$000
Foreign exchange loss	–	86
Finance expense on lease	72	97
Total	**72**	**183**

7 INVESTMENTS

The Company's wholly owned subsidiary undertakings at 31 December 2020 and 31 December 2019, excluding dormant entities, were:

Subsidiary undertaking	Principal activity	Country of incorporation
Chariot Oil & Gas Investments (Namibia) Limited	Holding company	Guernsey
Chariot Oil & Gas Investments (Morocco) Limited	Oil and gas exploration	Guernsey
Chariot Oil and Gas Statistics Limited	Service company	UK
Enigma Oil & Gas Exploration (Proprietary) Limited[1]	Oil and gas exploration	Namibia
Chariot Oil & Gas Investments (Brazil) Limited	Holding company	Guernsey
Chariot Brasil Petroleo e Gas Ltda	Oil and gas exploration	Brazil
Chariot Oil & Gas Finance (Brazil) Limited[1]	Service company	Guernsey
Chariot Oil & Gas Holdings (Morocco) Limited	Oil and gas exploration	UK

1 Indirect shareholding of the Company.

8 TAXATION

The Company is tax resident in the UK, however no tax charge arises due to taxable losses for the year (31 December 2019: US$Nil).

No taxation charge arises in Namibia, Morocco or the UK subsidiaries as they have recorded taxable losses for the year (31 December 2019: US$Nil).

In Brazil, there were taxable profits due to interest received on cash balances resulting in a tax charge payable of US$1,000 (31 December 2019: US$11,000). There was no deferred tax charge or credit in either period presented.

Factors affecting the tax charge for the current year

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the UK applied to losses for the year are as follows:

	31 December 2020 US$000	31 December 2019 US$000
Tax reconciliation		
Loss on ordinary activities for the year before tax	(70,619)	(4,039)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 19% (31 December 2019: 19%)	(13,418)	(767)
Non-deductible expenses	12,882	200
Difference in tax rates in other jurisdictions	–	26
Deferred tax effect not recognised	537	552
Total taxation charge	**1**	**11**

The Company had tax losses carried forward on which no deferred tax asset is recognised. Deferred tax not recognised in respect of losses carried forward total US$7.6 million (31 December 2019: US$7.1 million). Deferred tax assets were not recognised as there is uncertainty regarding the timing of future profits against which these assets could be utilised.

9 LOSS PER SHARE

The calculation of basic loss per Ordinary share is based on a loss of US$70,620,000 (31 December 2019: loss of US$4,050,000) and on 379,349,854 Ordinary shares (31 December 2019: 367,405,011) being the weighted average number of Ordinary shares in issue during the year. Potentially dilutive share awards are detailed in note 20, however these do not have any dilutive impact as the Group reported a loss for the year, consequently a separate diluted loss per share has not been presented.

10 EXPLORATION AND APPRAISAL COSTS

	31 December 2020 US$000	31 December 2019 US$000
Net book value brought forward	**78,264**	**74,236**
Additions	1,224	4,028
Impairment	(66,666)	–
Net book value carried forward	**12,822**	**78,264**

As at 31 December 2020 the net book values of the three cost pools are Central Blocks offshore Namibia US$Nil (31 December 2019: US$51.1 million), Morocco US$12.8 million (31 December 2019: US$11.5 million) and Brazil US$Nil (31 December 2019: US$15.7 million).

In light of the challenging conditions since Covid-19 and general lack of appetite in the market for oil exploration, the activities in Namibia and Brazil have been assessed as non-core with substantive expenditure not planned in the near term, and as such full impairments have been recorded against each respective cost pool.

11 PROPERTY, PLANT AND EQUIPMENT

	Fixtures, fittings and equipment 31 December 2020 US$000	Fixtures, fittings and equipment 31 December 2019 US$000
Cost		
Brought forward	1,348	1,781
Additions	8	67
Disposals	–	(500)
Carried forward	1,356	1,348
Depreciation		
Brought forward	1,254	1,681
Charge	59	73
Eliminated on disposals	–	(500)
Carried forward	1,313	1,254
Net book value brought forward	**94**	**100**
Net book value carried forward	**43**	**94**

12 TRADE AND OTHER RECEIVABLES

	31 December 2020 US$000	31 December 2019 US$000
Other receivables and prepayments	811	781

The fair value of trade and other receivables is equal to their book value.

13 INVENTORY

	31 December 2020 US$000	31 December 2019 US$000
Wellheads and casing	–	524

Remaining items of inventory from its earlier drilling campaigns were disposed of in 2020 resulting in a loss on disposal of US$0.5 million.

14 CASH AND CASH EQUIVALENTS

	31 December 2020 US$000	31 December 2019 US$000
Analysis by currency		
US Dollar	1,844	9,114
Brazilian Real	30	52
Sterling	1,815	342
Namibian dollar	51	127
	3,740	**9,635**

As at 31 December 2020 and 31 December 2019 the US Dollar and Sterling cash is held in UK and Guernsey bank accounts. All other cash balances are held in the relevant country of operation.

As at 31 December 2020, the cash balance of US$3.7 million (31 December 2019: US$9.6 million) contains the following cash deposits that are secured against bank guarantees given in respect of exploration work to be carried out:

	31 December 2020 US$000	31 December 2019 US$000
Moroccan licences	500	650
	500	**650**

The funds are freely transferable but alternative collateral would need to be put in place to replace the cash security.

15 LEASES

The lease relates to the UK office.

Right-of-use asset:

	31 December 2020 US$000	31 December 2019 US$000
Brought forward	983	1,311
Depreciation	(328)	(328)
Carried forward	**655**	**983**

Lease liability:

	31 December 2020 US$000	31 December 2019 US$000
Current	409	366
Non-current	440	820
Total lease liability	**849**	**1,186**

The maturity analysis of the lease liability at 31 December 2020 is as follows:

	31 December 2020 US$000	31 December 2019 US$000
Maturity analysis – contractual undiscounted cash flows		
Less than one year	454	439
Between one and two years	453	439
Between two and three years	–	437
Total undiscounted lease liabilities	**907**	**1,315**
Effect of interest	(58)	(129)
Total lease liability	**849**	**1,186**

16 TRADE AND OTHER PAYABLES

	31 December 2020 US$000	31 December 2019 US$000
Trade payables	816	1,235
Accruals	244	1,300
	1,060	**2,535**

The fair value of trade and other payables is equal to their book value.

17 SHARE CAPITAL

	Allotted, called up and fully paid			
	31 December 2020 Number	31 December 2020 US$000	31 December 2019 Number	31 December 2019 US$000
Ordinary shares of 1p each[1]	388,367,946	6,549	367,532,909	6,268

1 The authorised and initially allotted and issued share capital on admission (19 May 2008) has been translated at the historic rate of US$GBP of 1.995. The shares issued since admission have been translated at the date of issue, or, in the case of share awards, the date of grant and not subsequently retranslated.

Details of the Ordinary shares issued are in the table below:

Date	Description	Price US$	No. of shares
1 January 2019	**Opening Balance**		**367,259,909**
20 June 2019	Issue of share award	1.35	40,000
20 June 2019	Issue of share award	0.50	233,000
31 December 2019			**367,532,909**
27 April 2020	Issue of share award	0.18	463,768
27 April 2020	Issue of share award	0.42	133,334
27 April 2020	Issue of share award	0.53	154,285
27 April 2020	Issue of share award	4.38	42,000
27 April 2020	Issue of share award	0.50	913,822
27 April 2020	Issue of share award	0.33	700,000
27 April 2020	Issue of share award	0.39	937,500
27 April 2020	Issue of share award	0.12	1,352,875
27 April 2020	Issue of share award	0.20	1,369,541
27 April 2020	Issue of share award	0.05	864,134
27 April 2020	Issue of share award	0.02	2,958,329
27 April 2020	Issue of share award	0.11	278,082
27 April 2020	Issue of share award	0.19	1,168,142
27 July 2020	Issue of share award	0.39	411,011
27 July 2020	Issue of share award	0.15	411,011
27 July 2020	Issue of share award	0.07	1,564,286
27 July 2020	Issue of share award	0.10	1,318,841
27 July 2020	Issue of share award	0.20	1,825,000
27 July 2020	Issue of share award	0.16	1,495,693
27 July 2020	Issue of share award	0.03	2,473,383
31 December 2020			**388,367,946**

18 RELATED PARTY TRANSACTIONS

Key management personnel comprises the Directors and details of their remuneration are set out in note 5 and the Directors' Remuneration Report.

There were no related party transactions during the current year or year ended 31 December 2019.

19 FINANCIAL INSTRUMENTS

The Board of Directors determine, as required, the degree to which it is appropriate to use financial instruments or other hedging contracts or techniques to mitigate risk. Throughout the year ending 31 December 2020, no trading in financial instruments was undertaken (31 December 2019: US$Nil). There is no material difference between the book value and fair value of the Group cash balances, short-term receivables and payables.

Market risk

Market risk arises from the Group's use of interest bearing and foreign currency financial instruments. It is the risk that future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) and foreign exchange rates (currency risk). Throughout the year, the Group has held surplus funds on deposit, principally with its main relationship bank Barclays, on fixed short-term deposits. The credit ratings of the main relationship bank the Group holds cash with do not fall below A or equivalent. The Group does not undertake any form of speculation on long term interest rates or currency movements, therefore it manages market risk by maintaining a short-term investment horizon and placing funds on deposit to optimise short term yields where possible but, moreover, to ensure that it always has sufficient cash resources to meet payables and other working capital requirements when necessary. As such, market risk is not viewed as a significant risk to the Group. The Directors have not disclosed the impact of interest rate sensitivity analysis on the Group's financial assets and liabilities at the year-end as the risk is not deemed to be material.

This transactional risk is managed by the Group holding the majority of its funds in US Dollars to recognise that US Dollars is the trading currency of the industry, with an appropriate balance maintained in Brazilian Real, Sterling and Namibian Dollars to meet other non-US Dollar industry costs and ongoing corporate and overhead commitments.

At the year end, the Group had cash balances of US$3.7 million (31 December 2019: US$9.6 million) as detailed in note 14.

Other than the non-US Dollar cash balances described in note 14, no other material financial instrument is denominated in a currency other than US Dollars. A 10% adverse movement in exchange rates would lead to a foreign exchange loss of US$190,000 and a 10% favourable movement in exchange rates would lead to a corresponding gain; the effect on net assets would be the same as the effect on profits (31 December 2019: US$50,000).

Capital

In managing its capital, the Group's primary objective is to maintain a sufficient funding base to enable it to meet its working capital and strategic investment needs. The Group currently holds sufficient capital to meet its ongoing needs for at least the next 12 months.

Liquidity risk

The Group's practice is to regularly review cash needs and to place excess funds on fixed term deposits. This process enables the Group to optimise the yield on its cash resources whilst ensuring that it always has sufficient liquidity to meet payables and other working capital requirements when these become due.

The Group has sufficient funds to continue operations for the forthcoming year and has no perceived liquidity risk.

Credit risk

The Group's policy is to perform appropriate due diligence on any party with whom it intends to enter into a contractual arrangement. Where this involves credit risk, the Group will put in place measures that it has assessed as prudent to mitigate the risk of default by the other party. This could consist of instruments such as bank guarantees and parent company guarantees.

As such, the Group has not put in place any particular credit risk measures in this instance as the Directors view the risk of default on any payments due from the joint venture partner as being very low.

20 SHARE BASED PAYMENTS

Share Option Scheme

During the year, the Company operated the Chariot Oil & Gas Share Option Scheme ("Share Option Scheme"). The Company recognised total expenses of US$Nil (31 December 2019: US$Nil) related to equity settled share based payment transactions under the plan. All remaining options granted under the plan lapsed during the year.

The following table sets out details of options granted under the Share Option Scheme:

	31 December 2020 Number of Options	31 December 2019 Number of Options
Outstanding at beginning of the year	**3,000,000**	**3,000,000**
Lapsed during the year	(3,000,000)	–
Outstanding at the end of the year	**–**	**3,000,000**
Exercisable at the end of the year	**–**	**3,000,000**

20 SHARE BASED PAYMENTS continued

Long Term Incentive Scheme ("LTIP")

The plan provides for the awarding of shares to employees and Directors for nil consideration. The award will lapse if an employee or Director leaves employment.

Shares granted when an individual is an employee will vest in equal instalments over a three year period from the grant date and shares granted when an individual is a Director or otherwise specified will vest three years from the end of the year or period the period to which the award relates.

The Group recognised a charge under the plan for the year to 31 December 2020 of US$200,000 (31 December 2019: US$614,000).

The following table sets out details of all outstanding share awards under the LTIP:

	31 December 2020 Number of awards	31 December 2019 Number of awards
Outstanding at beginning of the year	**25,000,645**	**22,433,201**
Granted during the year	5,431,712	2,840,444
Shares issued for no consideration during the year	(20,835,037)	(273,000)
Lapsed during the year	(2,195,540)	–
Outstanding at the end of the year	**7,401,780**	**25,000,645**
Exercisable at the end of the year	**6,044,990**	**14,494,547**

Non-Executive Directors' Restricted Share Unit Scheme ("RSU")

The plan provides for the awarding of shares to Non-Executive Directors for nil consideration. An award can be Standalone or Matching.

Standalone share awards are one-off awards to Non-Executive Directors which will vest in equal instalments over a three year period and will lapse if not exercised within a fixed period on stepping down from the Board.

Matching share awards will be granted equal to the number of existing Chariot shares purchased by the Non-Executive Director in each calendar year capped at the value of their gross annual fees for that year. The shares will vest in equal instalments over a three year period and will lapse if not exercised prior to stepping down from the Board or if the original purchased shares are sold prior to the vesting of the relevant Matching award. Any potential Matching awards not granted in a calendar year shall be forfeited and shall not roll over to subsequent years.

The Group recognised a charge under the plan for the year to 31 December 2020 of US$22,000 (31 December 2019: US$37,000).

The following table sets out details of all outstanding share awards under the RSU:

	31 December 2020 Number of awards	31 December 2019 Number of awards
Outstanding at beginning of the year	**2,839,875**	**2,191,852**
Granted during the year	–	648,023
Outstanding at the end of the year	**2,839,875**	**2,839,875**
Exercisable at the end of the year	**2,407,860**	**1,981,193**

21 CONTINGENT LIABILITIES

From 30 December 2011 the Namibian tax authorities introduced a withholding tax of 25% on all services provided by non-Namibian entities which are received and paid for by Namibian residents. From 30 December 2015 the withholding tax was reduced to 10%. As at 31 December 2020, based upon independent legal and tax opinions, the Group has no withholding tax liability (31 December 2019: US$Nil). Any subsequent exposure to Namibian withholding tax will be determined by how the relevant legislation evolves in the future and the contracting strategy of the Group.

22 EVENTS AFTER THE BALANCE SHEET DATE

The Directors consider these events to be non-adjusting post balance sheet events.

a) Acquisition of renewable and hybrid power developer focused on mining sector in Africa

On 23 March 2021 the Company announced that it had signed share purchase agreements ("SPAs") for the acquisition of the business of Africa Energy Management Platform ("AEMP") for consideration of up to US$2 million payable primarily in new Ordinary Shares. AEMP is a renewable and hybrid energy project developer, with an ongoing strategic partnership with Total Eren, a leading global player in renewable energy, predominantly in solar and wind.

The Company has incorporated a new 100% subsidiary, Chariot Transitional Power Limited, which signed SPAs with the shareholders of African Energy Management Platform and AEMP Essakane Solar SAS for the acquisition of the business of AEMP and the related 10% holding in the Essakane project.

Initial consideration payable on completion of the SPAs is US$1.16 million in new Ordinary Shares based on the 30-day VWAP prior to the signing of the SPAs (representing 9,196,926 shares) and US$0.09 million in cash which will be funded from Chariot's existing reserves. Deferred consideration up to US$0.75 million is payable within a 24-month period dependent on certain project pipeline targets being met as well as the retention of key members of the AEMP team. This deferred consideration is payable in new Ordinary Shares based on the 30-day VWAP prior to the signing of the SPAs (representing a maximum of 5,946,288 shares).

b) Placing, subscription and open offer (the "Fundraising")

On 18 June 2021 the Company announced the approval by shareholders at a General Meeting of a placing of and subscription for 212,553,929 new Ordinary Shares, 29,231,953 new Ordinary Shares by open offer and a further 9,633,534 new Ordinary Shares as third party fees in connection with the Fundraising at a price of 5.5 pence per share. The combined total of 251,419,416 new Ordinary Shares are expected to be admitted shortly and shortly thereafter the Company expects to receive the balance of proceeds totalling US$18.8 million.

Magna Capital LDA (of which Adonis Pouroulis is a substantial shareholder) has conditionally agreed to underwrite the Fundraising, ensuring that the total fundraising will equate to approximately US$23 million before expenses, by subscribing, in two tranches on or before 31 January 2022 and 28 February 2022, for new Ordinary Shares at the Issue Price (the "Underwriting Commitment"). Accordingly subsequent to the completion of the placing, subscription and open offer for net proceeds of US$18.8 million, the remaining Underwriting Commitment is US$4.2 million. Mr Pouroulis has personally sub-underwritten the Underwriting Commitment. The Underwriting Commitment is transferable at Magna's sole discretion and shall reduce in equal proportion to any funds received separately by the Company from a farm-in or a further fundraise. The Underwriting Commitment constitutes a related party transaction.

c) Change of name to Chariot Ltd

On 18 June 2021 it was approved by shareholders to change the name of the Company from Chariot Oil & Gas Ltd to Chariot Ltd with immediate effect.

ADVISORS

REGISTERED OFFICE
Oak House
Hirzel Street
St Peter Port
Guernsey
GY1 2NP

REGISTRATION NUMBER
47532

NOMINATED ADVISOR & JOINT BROKER
finnCap Limited
One Bartholomew Close
London
EC1A 7BL
United Kingdom

JOINT BROKER
Peel Hunt LLP
100 Liverpool Street
London
EC2M 2AT

BANKERS
Barclays Bank Plc.
PO Box 41
Le Marchant House
Le Truchot
St Peter Port
Guernsey
GY1 3BE
Channel Islands

AUDITORS
BDO LLP
55 Baker Street
London
W1U 7EU
United Kingdom

FINANCIAL PUBLIC RELATIONS ADVISOR
Celicourt Communications Limited
Adam House
7-10 Adam Street
London
WC2N 6AA
United Kingdom

LEGAL ADVISORS
As to British Law
Memery Crystal LLP
44 Southampton Buildings
London
WC2A 1AP
United Kingdom

As to Namibian Law
Lorentz Angula Inc.
Windhoek 3rd floor
LA Chambers
Ausspann Plaza
Windhoek
Namibia

As to Guernsey Law
Babbé
PO Box 69
18-20 Smith Street
St Peter Port
Guernsey
GY1 4BL
Channel Islands

As to Moroccan Law
Gide Loyrette Nouel
Tour Crystal
1 Boulevard Sidi Mohammed Ben Abdellah
Quartier Casablanca Marina
Casablanca
20030
Morocco

As to Brazilian Law
Catão & Tocantins Advogados
Rua da Ajuda, 35 – 3º andar, Centro
20040-915
Rio de Janeiro RJ
Brazil

COMPANY SECRETARY
Oak Fund Services (Guernsey) Ltd
Oak House
Hirzel Street
St Peter Port
Guernsey
GY1 2NP
Channel Islands

REGISTRARS AND RECEIVING AGENTS
Link Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU
United Kingdom

Design and Production
www.carrkamasa.co.uk

ckd

MIX
Paper from responsible sources
FSC www.fsc.org
FSC® C022913

CHARIOT LIMITED
Oak House
Hirzel Street
St Peter Port
Guernsey
GY1 2NP
www.chariotoilandgas.com