

# Notice of Annual General Meeting 2014

## Chariot Oil & Gas Limited

(A company incorporated in Guernsey with registered number 47532)

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting (the "AGM") of Chariot Oil & Gas Limited (the "Company") will be held at The Priestly Room, The Chemistry Centre, Burlington House, Piccadilly, London W1J 0BA on 5 June 2014 at 10:00am for the following purposes:

### ORDINARY BUSINESS

#### **Annual Report and Financial Statements**

1. To receive the statement of accounts for the year ended 31 December 2013 together with the reports of the Directors of the Company and the Auditors thereon.

#### **Reappointment of Auditors**

2. To reappoint BDO LLP as auditors to the Company to act as such until the conclusion of the next AGM of the Company at which the requirements of section 257 of The Companies (Guernsey) Law, 2008 as amended are complied with and to authorise the Directors to fix their remuneration.

#### **Reappointment of Directors**

3. To reappoint Matthew Taylor, who was appointed since the last AGM, as a Director of the Company.
4. To reappoint David Bodecott, who was appointed since the last AGM, as a Director of the Company.
5. To reappoint William Trojan, who was appointed since the last AGM, as a Director of the Company.
6. To reappoint Larry Bottomley, who retires by rotation, as a Director of the Company.
7. To reappoint George Canjar, who retires by rotation, as a Director of the Company.
8. To reappoint Adonis Pouroulis, who retires by rotation, as a Director of the Company.

### SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions, of which Resolution 9 will be proposed as an ordinary resolution and Resolution 10 as a special resolution.

#### **Ordinary resolution**

9. That the Directors of the Company (the "Directors") be and they are hereby generally and unconditionally authorised in accordance with Article 3.5 of the Articles of Incorporation of the Company (the "Articles") to exercise all powers of the Company to allot relevant securities (as defined in Article 3.5(b) of the Articles) up to the aggregate nominal amount of £606,524 (being 60,652,399 Ordinary Shares of one penny each) ("Ordinary Shares") provided that the authority hereby conferred shall operate in substitution for and to the exclusion of any previous authority given to the Directors pursuant to Article 3.5 of the Articles or otherwise and shall expire on whichever is the earlier of the conclusion of the next AGM of the Company or the date falling 15 months from the date of the passing of this resolution unless such authority is renewed, varied or revoked by the Company in general meeting save that the Company may, at any time before such expiry, make an offer or agreement which might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority hereby conferred had not expired.

#### **Special resolution**

10. That, subject to and conditional upon Resolution 9 being duly passed, the Directors be and they are hereby empowered pursuant to Article 3.7 of the Articles to allot equity securities (as defined in Article 3.8(a) of the Articles) for cash as if Article 3.6(a) of the Articles did not apply to any such allotment pursuant to the general authority conferred on them by Resolution 9 above (as varied from time to time by the Company in general meeting) PROVIDED THAT such power shall be limited to:-

- (a) the allotment of equity securities in connection with a rights issue or any other pre-emptive offer in favour of holders of equity securities where the equity securities respectively attributable to the interests of all such holders are proportionate (as nearly as may be) to the respective amounts of equity securities held by them subject only to such exclusions or other arrangements as the Directors may consider appropriate to deal with fractional entitlements or legal or practical difficulties under the laws of or the requirements of any recognised regulatory body in any territory or otherwise; and
- (b) the allotment (otherwise than pursuant to sub paragraph (a) above) of equity securities up to an aggregate nominal amount of £202,174 representing 10% of the current issued share capital of the Company

# Notice of Annual General Meeting 2014

## Continued

---

and the power hereby conferred shall operate in substitution for and to the exclusion of any previous power given to the Directors pursuant to Article 3.7 of the Articles or otherwise and shall expire on whichever is the earlier of the conclusion of the next AGM of the Company or the date falling 15 months from the date of the passing of this resolution unless such power is renewed or extended prior to or at such meeting except that the Company may, before the expiry of any power contained in this resolution, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

By order of the Board of Directors

**International Administration Group (Guernsey) Limited**

Company Secretary of  
Chariot Oil & Gas Limited  
02 May 2014

**Registered office:**  
Regency Court,  
Gategny Esplanade,  
St Peter Port,  
Guernsey  
GY1 IWW

**Notes:**

1. A member of the Company entitled to attend and vote at the meeting convened by the notice set out above is entitled to appoint a proxy to attend, speak and, on a poll, to vote in his / her place. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company.
2. An instrument for the purposes of appointing a proxy is enclosed. To be valid, the instrument and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be received at Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham BR3 4ZF, no later than 10:00am on 3 June 2014 or not less than 48 business hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll, before the time appointed for taking the poll and, in default, the instrument shall not be treated as valid.
3. Completion of the instrument appointing a proxy does not preclude a member from subsequently attending and voting at the meeting in person if he / she so wishes.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority will be determined by the order in which the names stand in the register of members in respect of the joint holding.
5. In the case of a member which is a company, this proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
6. Pursuant to Regulation 41 of the Uncertificated Securities (Guernsey) Regulations 2009, the Company gives notice that only those shareholders entered on the relevant register of members (the "**Register**") for certificated or uncertificated shares of the Company (as the case may be) 48 hours before the time of the AGM (the "**Specified Time**") will be entitled to attend or vote at the AGM in respect of the number of shares registered in their name at the time. Changes to entries on the Register after the Specified Time will be disregarded in determining the rights of any person to attend or vote at the AGM. Should the AGM be adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned AGM. Should the AGM be adjourned for a longer period, then to be so entitled, members must be entered on the Register at the time which is 48 hours before the time fixed for the adjourned AGM or, if the Company gives notice of the adjourned AGM, at the time specified in the notice.

# Chariot Oil & Gas Limited

## Annual General Meeting to be held on 5 June 2014 at 10:00am

### Proxy Form

Please print clearly in **BLACK INK** and in **BLOCK CAPITALS**. Please read the **NOTES** below before completing this Proxy Form.

Name (full): \_\_\_\_\_

Address (full): \_\_\_\_\_

\_\_\_\_\_ Postcode: \_\_\_\_\_

I / We the above mentioned shareholder(s) of Chariot Oil & Gas Limited (the "**Company**") hereby appoint

Name (full): \_\_\_\_\_

Address (full): \_\_\_\_\_

\_\_\_\_\_ Postcode: \_\_\_\_\_

or failing him the Chairman of the Annual General Meeting (the "**AGM**" or the "**Meeting**") (note that a proxy need not be a member of the Company but must attend the Meeting in person)

as my / our proxy to vote in my / our name(s) and on my / our behalf to attend, speak and vote on my / our behalf at the AGM of the Company which will be held at The Priestly Room, The Chemistry Centre, Burlington House, Piccadilly, London W1J 0BA on 5 June 2014 at 10:00am and at any adjournment thereof.

I / We direct my / our proxy to vote on the following resolutions as I / we have indicated by marking the appropriate box with an 'X'. If no indication is given, my / our proxy will vote or abstain from voting at his / her discretion and I / we authorise my / our proxy to vote (or abstain from voting) as he / she thinks fit in relation to any other matter which is properly put before the meeting.

ORDINARY BUSINESS	FOR	AGAINST	WITHHELD
1. To receive the statement of accounts for the year ended 31 December 2013 together with the reports of the Directors of the Company and the Auditors thereon.			
2. To reappoint BDO LLP as auditors to the Company to act as such until the conclusion of the next AGM of the Company at which the requirements of section 257 of The Companies (Guernsey) Law, 2008 as amended are complied with and to authorise the Directors to fix their remuneration.			
3. To reappoint Matthew Taylor, who was appointed since the last AGM, as a Director of the Company.			
4. To reappoint David Bodecott, who was appointed since the last AGM, as a Director of the Company.			
5. To reappoint William Trojan, who was appointed since the last AGM, as a Director of the Company.			
6. To reappoint Larry Bottomley, who retires by rotation, as a Director of the Company.			
7. To reappoint George Canjar, who retires by rotation, as a Director of the Company.			
8. To reappoint Adonis Pouroulis, who retires by rotation, as a Director of the Company.			
SPECIAL BUSINESS	FOR	AGAINST	WITHHELD
<b>Ordinary Resolution</b>			
9. To authorise the Directors of the Company to exercise all powers of the Company to allot relevant securities up to the aggregate nominal amount of £606,524 (this being 60,652,399 Ordinary Shares of one penny each) (" <b>Ordinary Shares</b> "), such authority to expire on the earlier of the conclusion of the next AGM of the Company or 15 months from the date of the passing of this resolution in accordance with Article 3.5 of the Articles of Incorporation.			
<b>Special Resolution</b>			
10. Subject to Resolution 9 being passed, to empower the Directors to allot equity securities in accordance with Article 3.7 of the Articles as if Article 3.6(a) of the Articles does not apply and subject to the limitations as set out in (a) and (b) of the resolution such authority to expire on the earlier of the conclusion of the next AGM of the Company or 15 months from the date of the passing of this resolution.			

Shareholder signature: \_\_\_\_\_ Dated: \_\_\_\_\_ 2014

# Proxy Form

## Continued

---

### Notes:

1. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the AGM of the Company. You can only appoint a proxy using the procedures set out in these notes.
2. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the Meeting, insert their full name in the box. If you sign and return this Proxy Form with no name inserted in the box, the Chairman of the Meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the Meeting and are aware of your voting intentions.
4. Please indicate above how you wish your votes to be cast in respect of each resolution by placing an "X" (or entering the number of shares which you are entitled to vote) in the appropriate box. If you sign this Proxy Form and return it without an indication of how your proxy will vote on any particular matter, your proxy will exercise his / her discretion as to whether and, if so, how he / she votes and he / she may also vote on any other business (including any amendments to the resolutions) which may be properly conducted at the AGM. A vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes for and against each resolution.
5. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's relevant register of members (the "**Register**") in respect of the joint holding (the first named being the most senior).
6. In the case of a corporation, this proxy should be either given under the corporation's common seal or signed for and on its behalf by a duly authorised officer or attorney of the corporation.

Upon completing this Proxy Form, please sign it and return it to Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham BR3 4ZF. This Proxy Form must be received by Capita Asset Services by no later than 10:00am on 3 June 2014 or not less than 48 business hours before the time appointed for holding any adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, before the time appointed for taking the poll, together with such power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority. Completion and return of this Proxy Form will not, however, preclude a holder(s) of shares from attending and voting at the AGM if he / she / they so wish / wishes and is / are so entitled.

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the contents of this document or the action you should take, you are recommended to seek your own personal financial advice from your own stockbroker, solicitor, accountant or other independent financial adviser authorised under the United Kingdom Financial Services and Markets Act 2000.**

If you have sold or otherwise transferred all of your shares in Chariot Oil & Gas Limited, please forward this document and the accompanying documents to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was made for onward transmission to the purchaser or transferee. If you have sold or otherwise transferred some of your shares in Chariot Oil & Gas Limited, you should contact your stockbroker, bank or other agent through whom the sale or transfer was effected.

Neither the Guernsey Financial Services Commission nor the States of Guernsey Policy Counsel takes any responsibility for the financial soundness of the Company or for the correctness of any of the statements made or the opinions expressed with regard to it. The London Stock Exchange has not approved the contents of this document.

---

# **CHARIOT OIL & GAS LIMITED**

*(incorporated and registered in Guernsey with registered number 47532)*

## **Proposed Placing of 58,596,038 new Ordinary Shares of 1p each at 15 pence per share and Notice of General Meeting**

---

Application will be made for the Placing Shares to be admitted to trading on AIM, a market operated by the London Stock Exchange. It is expected that admission will become effective and that dealings will commence in the Placing Shares on 19 August 2014. The Placing Shares will be issued free of expenses and will, on issue, rank *pari passu* in all respects with the existing Ordinary Shares in issue, including the right to receive all dividends and distributions declared, made or paid after the date of issue.

Notice of a General Meeting of the Company, to be held at the offices of finnCap Limited (“finnCap”), 60 New Broad Street, London, EC2M 1JJ at 10 a.m. on 18 August 2014 is set out at the end of this document.

If you are unable to attend and vote at the General Meeting, a Form of Proxy for use at the meeting is enclosed. To be valid, a Form of Proxy should be completed, signed and returned so as to be received by Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham BR3 4ZF, as soon as possible, but in any event so as to be received not later than 10 a.m. on 15 August 2014. Completion and return of a Form of Proxy will not prevent a shareholder from attending the meeting and voting in person. Please refer to the detailed notes contained in the Notice of GM and the Form of Proxy.

The distribution of this document and the accompanying documents in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document does not constitute or form part of or any offer or instruction to purchase, subscribe for or sell any shares or other securities in the Company nor shall it or any part of it or the fact of distribution form the basis of, or be relied on in connection with, any contract therefore. This document does not constitute an offer to the public of transferable securities and so is not subject to the requirements or any legislation that implements the EU Prospective Directive.

finnCap, GMP Securities Europe LLP and Ladenburg Thalmann & Co. Inc. (together, the “Brokers”) are acting for the Company and no one else and will not be responsible to any other person for providing protections afforded to their customers nor for providing advice in relation to the contents of this document. No representation, warranty, express or implied, is made by the Brokers for the accuracy of any information or opinions contained in this document or the omission of any material information.

## CONTENTS

	<i>Page</i>
<b>Definitions</b>	3
<b>Part 1 – Details of the Placing</b>	5
<b>Part 2 – Notice of General Meeting</b>	10

### EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of Completion of Placing	22 July 2014
Latest time and date for receipt by Company Secretary of Form of Proxy in respect of the GM	10 a.m. on 15 August 2014
General Meeting	10 a.m. on 18 August 2014
Placing Shares admitted to AIM	8 a.m. on 19 August 2014

### KEY STATISTICS

Number of Existing Ordinary Shares	202,174,664
Number of Placing Shares to be issued	58,596,038
Enlarged Share Capital following the Placing	260,770,702
Percentage of Enlarged Share Capital represented by the Placing Shares	22.5 per cent.
Placing Price	15 pence
Gross Proceeds of the Placing	£8,789,405

## DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise.

“Act”	The Companies (Guernsey) Law, 2008 (as amended)
“AIM”	the AIM market operated by London Stock Exchange
“AIM Rules”	the AIM Rules for Companies and guidance notes as published by the London Stock Exchange from time to time
“Admission”	the admission of the Placing Shares to trading on AIM in accordance with the AIM Rules
“Articles”	the articles of incorporation of Chariot, as amended from time to time
“the Board” or “the Directors”	the directors of the Company as at the date of this document
“Brokers”	GMP, finnCap and Ladenburg
“Company” or “Chariot”	Chariot Oil & Gas Limited
“Company Secretary”	International Administration Group (Guernsey) Limited
“CREST”	the computerised settlement system to facilitate the transfer of title of shares in uncertified form operated by Euroclear
“Enlarged Share Capital”	the entire issued share capital of the Company following completion of the Placing
“Existing Ordinary Shares”	the Ordinary Shares in issue on the date of this document
“finnCap”	finnCap Limited
“Form of Proxy”	the form of proxy for use in relation to the GM enclosed with this document
“FSMA”	Financial Services and Market Act 2000 (as amended)
“General Meeting” or “GM”	the General Meeting of the Company, convened for 10 a.m. on 18 August 2014 or at any adjournment thereof, notice of which is set out at the end of this document
“GMP”	GMP Securities Europe LLP
“Group”	Chariot and its subsidiaries
“Ladenburg”	Ladenburg Thalmann & Co. Inc.
“London Stock Exchange”	London Stock Exchange plc
“NAMCOR”	The National Petroleum Corporation of Namibia
“Notice of GM”	the notice convening the GM as set out herein
“Ordinary Shares”	ordinary shares of 1p each in the capital of the Company
“Placees”	subscribers for Placing Shares
“Placing”	the conditional placing by the Brokers, as agents for the Company, of the Placing Shares at the Placing Price pursuant to the Placing Agreement

“Placing Agreement”	the agreement dated 21 July 2014 between the Company and the Brokers pursuant to which the Brokers agree severally but not jointly to use their reasonable endeavours as agent for the Company to procure subscribers for the Placing Shares
“Placing Price”	15 pence per Placing Share
“Placing Shares”	the 58,596,038 Ordinary Shares the subject of the Placing
“Resolutions”	the resolutions to be proposed at the GM as set out in the Notice of GM in this document
“Shareholders”	holders of Ordinary Shares
“UK”	the United Kingdom of Great Britain and Northern Ireland
“Woodside”	Woodside Energy (Morocco) Pty Limited a subsidiary of Woodside Petroleum Limited



## PART 1

### DETAILS OF THE PLACING

#### CHARIOT OIL & GAS LIMITED

(Incorporated and registered in Guernsey with registered number 47532)

*Directors*

George Canjar (*Chairman*)  
Larry Bottomley  
Mark Reid  
Matthew Taylor  
Adonis Pouroulis  
Robert Sinclair  
William Trojan  
David Bodecott  
Heindrich Ndume

*Registered Office*

Regency Court  
Gategny Esplanade  
St Peter Port  
Guernsey  
GY1 1WW

22 July 2014

Dear Shareholder

#### **Proposed Placing of 58,596,038 new Ordinary Shares at 15 pence per share and Notice of General Meeting**

##### **Introduction**

Your Board announced today that Chariot has raised, conditional, *inter alia*, on the passing of Resolutions 1 and 2, approximately US\$15 million (approximately £8.8 million) before expenses through a placing of 58,596,038 new Ordinary Shares at 15 pence each. The Placing Price is at a discount of 14.3 per cent. to the closing price of 17.5 pence per Ordinary Share on 21 July 2014 (being the day before the announcement of the results of the Placing).

Shareholder approval is required to authorise the Directors to disapply pre-emption rights in respect of and to issue and allot the Placing Shares to the investors and it is proposed to convene a General Meeting to seek the requisite authorities.

The purpose of this document is to explain the background to the Placing, to set out details of the Placing and the reasons why your Board believes that the Placing is in the best interests of the Company and its Shareholders and to seek your approval to the Resolutions at the forthcoming GM, which will be held at the offices of finnCap Limited, 60 New Broad Street, London, EC2M 1JJ on 18 August 2014 at 10 a.m.

##### **Reasons for the Placing**

The purpose of the Placing is to provide the Company with the necessary liquidity to continue to develop its portfolio in advance of the receipt of 100 per cent. of the costs of the recent 3D seismic programme and a share of associated back costs on the Rabat Deep permits, following its successful farm out to Woodside. In particular, the Placing funds will enable Chariot to fund any un-carried element of the 3D seismic commitment in Brazil as soon as a vessel becomes available, pursue an opportunity to add new key acreage to its portfolio creating an additional catalyst for sustainable growth, and maintain the necessary and ongoing financial flexibility to manage negotiations with future farm out partners.

## Use of Proceeds

It is intended that the proceeds of US\$15 million (approximately £8.8 million) from the Placing, will be used to further the Company's 2014/15 portfolio development activities and, as set out below, to facilitate the acceleration and completion of its 3D seismic work commitment in Brazil and pursue an additional new venture opportunity to sustain the growth potential of its portfolio:

• Un-carried element of Brazil 3D seismic survey (approximately £4.4 million)	US\$7.5 million
• Portfolio expansion/new venture opportunity (approximately £4.4 million)	US\$7.5 million
Total (approximately £8.8 million)	<u>US\$15.0 million</u>

## Current Trading and Prospects

Chariot holds 9 licences (8 of which are operated) in established, emerging and frontier regions of the Atlantic margins. Over the last 2 years the Company has diversified its portfolio to encompass the giant potential, underexplored deepwater regions offshore Morocco, Mauritania, Namibia and Brazil which has provided a range of risk and maturity across its asset base with the potential for sustained drilling opportunities.

Across its licences, Chariot has acquired substantial datasets and a great deal of in-house technical work has been carried out to date. The Company has identified over two billion barrels of gross mean prospective resources within its acreage, both in giant (500mmbbls+) prospects and multiple leads with significant follow-on potential, and the team continues to focus on maturing key targets for drilling.

Through conservative portfolio management and using the team's careful technical evaluation, Chariot has strategically positioned itself as a fast follower within these regions of high industry interest. This allows the Company to integrate its proprietary data with that from third party drilling activity in order to enhance its knowledge of the petroleum systems, prioritise targets and maximise the chance of success.

In line with its strategy, Chariot's team has a proven track record in securing partners, as demonstrated with the participation of Petrobras, BP, PGS and more recently Cairn and Woodside in its assets to date. The Company will continue to look to secure partners to mitigate risk, gain third party validation and share the capital requirements of the forward exploration programme.

## Portfolio update

In Morocco, the Company holds acreage across three licences: Rabat Deep, Loukos and Mohammedia. Principal drilling candidate JP-1 has been identified in the Rabat Deep acreage, with a gross mean prospective resource potential of 618mmbbls. An additional six leads within the Jurassic fairway have also been identified in this permit area, offering significant follow on potential in the success case. Data from the recently acquired 1,700km<sup>2</sup> 3D seismic survey is currently being processed and interpretation is expected to be complete in H1 2015. This will enable the team to identify a drilling location on its JP-1 prospect and technically mature other Jurassic leads as well as define additional prospectivity in the Mio-Pliocene play in the Rabat Deep, Loukos and Mohammedia licences. Subject to partnering, the principal JP-1 prospect could be drilled in H2 2015.

In Mauritania, interpretation of the 3D seismic data acquired last year within Block C-19 is near completion and it is expected that this will result in the maturation of key prospects for drilling. Third party activity has reportedly opened up a new play adjacent to C-19, and subsequent drilling programmes in the near to mid-term will test a number of plays that extend into the block. Subject to further partnering, Chariot expects to drill a well here in 2015/2016.

In Brazil, the Environmental Impact Assessment is underway in advance of conducting an 800km<sup>2</sup> 3D seismic survey across its four offshore blocks as planned for next year. Commercial terms have been concluded with a third party to fund 50 per cent. of this seismic programme to earn 25 per cent. equity

in the licences, with documentation of these terms currently being negotiated. An additional partnering process has been initiated on this acreage to further mitigate risk and share capital expenditure. Again, subject to additional partnering, drilling could take place in H2 2016 or 2017.

In Namibia, Chariot holds acreage in three regions. In the Northern blocks, information from recent third party drilling is being integrated into the Company's proprietary datasets and once this has been fully evaluated Chariot will decide its forward plan on these blocks. In the Central blocks, Chariot is progressing a number of processes and the Company will update the market on these in due course. In Southern block 2714A, the existing partnership has elected not to enter into the Second Renewal Phase. Given this, Chariot, NAMCOR and a local partner are in the process of applying for a new three year licence in the Initial Exploration Phase over this same area with equity interests of 85 per cent. (operator), 10 per cent. and 5 per cent. (carried interests) respectively. On completion of this, Chariot will have no well commitment in this block ensuring that the Company is no longer exposed to play opener risk and that it is able to achieve the lower risk profile of a fast follower. As a result, the Company will have the necessary time for additional exploration maturation in blocks 2714A and 2714B (which was recently re-awarded to the Company) in the South and be able to lever any farm-out negotiation activity that it initiates here in the future. In January of this year, a 2D seismic programme was acquired in block 2714B, which is currently being processed and interpreted. From this, a 3D seismic programme will be designed in order to gain further understanding of the shallower petroleum system. This, combined with additional exploration work on block 2714A, will provide a broader view of the petroleum systems in this part of Chariot's portfolio.

In addition to the current portfolio, and in line with its strategy, Chariot has submitted an application for additional exploration acreage in a country where the Company currently operates. Success in this application will increase the option value of the current portfolio in this country.

The Company has created a large scale, high impact portfolio with a solid platform for growth which it continues to mature and de-risk. This provides exposure to a pipeline of drilling activity over the coming years with significant upside potential.

### **Ongoing strategy**

Chariot's goal is to create transformational stakeholder value through the discovery of material accumulations of hydrocarbons. The Company is focused on achieving this through accelerating the work programmes across its existing portfolio, mitigating risk and accessing new ventures to continue to develop sustainable growth over the longer term.

Chariot's strategy is to explore for giant oil and gas potential in new and emerging hydrocarbon provinces, take large equity positions in the early stages of exploration, manage risk and apply capital discipline to all its activities. Chariot has achieved this to date through diversifying its portfolio, repositioning itself as a fast follower and successfully securing industry partners.

Going forward, the Company will continue to pursue partnering at all phases of significant investment. The Company will also continue with its careful portfolio management, expert technical work and new opportunity evaluation with a focus on growth and value creation.

### **Details of the Placing**

The Company has obtained firm commitments from investors to raise approximately US\$15 million (approximately £8.8 million) before expenses through the placing of 58,596,038 new Ordinary Shares at 15 pence per share to the Placées. The allotment of the Placing Shares is conditional, *inter alia*, on Resolutions 1 and 2 being passed at the GM and Admission taking place by 19 August 2014 or such later date as the Company and the Brokers shall agree (being not later than 8.00 a.m. on 29 August 2014).

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

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

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

As certain directors of Chariot have sought to acquire Placing Shares which represent, in aggregate, more than 5 per cent. of the Placing, upon Admission (the “Directors’ Participation”) their aggregate participation will constitute a related party transaction pursuant to AIM Rule 13.

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

Application will be made to the London Stock Exchange for the Admission of the Placing Shares to trading on AIM. It is expected that this will occur and that dealings will commence at 8.00 a.m. on 19 August 2014 or such later date as the Company and the Brokers may agree (being not later than 8.00 a.m. on 29 August 2014), at which time it is also expected that the Placing Shares will be enabled for settlement in CREST.

The Placing Shares will be issued credited as fully paid and subject to the memorandum and articles of incorporation of the Company and will rank *pari passu* in all respects with the Ordinary Shares then in issue, including the right to receive any future dividends and other distributions.

The Directors have considered the most appropriate method to conduct the fundraising, including carrying out a placing, an open offer or a rights issue. The Directors concluded that the time and costs associated with a pre-emptive offer were not in the best interests of the Company. After careful consideration, they concluded that the benefit of minimising the costs of the fundraising by way of a non pre-emptive cash placing, rather than an open offer or a rights issue, would be in the best interests of the Company.

### **General Meeting**

The Directors do not currently have authority to issue and allot all of the Placing Shares. Accordingly at the GM, the Board will seek the approval of Shareholders to allot 58,596,038 Placing Shares and to dis-apply pre-emption rights set out in the Articles to the extent required to allot these Placing Shares (Resolution 2). It is also proposed to include in the resolution authorising the Directors to issue and allot Ordinary Shares (Resolution 1), the authority to issue and allot a further 78,231,210 Ordinary Shares resulting in a total authority of 136,827,248 Ordinary Shares. A further separate resolution (Resolution 3) will be sought to disapply pre-emption rights in the Articles in respect of 26,077,070 Ordinary Shares, in addition to the 58,596,038 Placing Shares. As a result, if the Resolutions are passed, Directors will be authorised to issue and allot the Placing Shares and a further 78,231,210 Ordinary Shares for a non-cash consideration or in accordance with pre-emption rights and of these, 26,077,070 Ordinary Shares may be allotted for cash on a non pre-emptive basis.

A notice convening the GM, which is to be held at the offices of finnCap Limited, 60 New Broad Street, London, EC2M 1JJ at 10 a.m. on 18 August 2014, is set out at the end of this document. At the GM, the following Resolutions will be proposed:

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

### **Action to be taken**

A Form of Proxy is enclosed for your use at the GM. Whether or not you intend to be present at the GM you are requested to complete, sign and return the Form of Proxy to Capita Asset Services at the following address: PXS 1, 34 Beckenham Road, Beckenham BR3 4ZF as soon as possible, but in any event so as to arrive not later than 10 a.m. on 15 August 2014 in accordance with the notes to the Form of Proxy. The completion and return of a Form of Proxy will not preclude you from attending the meeting and voting in person should you subsequently wish to do so. I would also like to draw your attention to the detailed notes to the Notice of GM and Form of Proxy.

### **Irrevocable Undertakings**

Chariot has received irrevocable undertakings to vote in favour of the Resolutions from the Directors who hold, in aggregate, 43,704,831 Ordinary Shares, representing 21.6 per cent. of the Existing Ordinary Shares. In addition, certain other Shareholders holding in aggregate 2,250,000 Ordinary Shares, representing 1.1 per cent. of the Existing Ordinary Shares have irrevocably undertaken to vote in favour of the Resolutions.

**Accordingly, the Company is in receipt of irrevocable undertakings to vote in favour of the Resolutions in respect of 45,954,831 Ordinary Shares representing in aggregate 22.7 per cent. of the Existing Ordinary Shares.**

### **Recommendation**

The Directors believe that the Placing and the passing of the Resolutions are in the best interests of the Company and Shareholders, taken as a whole. The Directors unanimously recommend the Shareholders to vote in favour of the Resolutions as they have irrevocably undertaken to do.

George Canjar  
*Chairman*

22 July 2014

## **PART 2**

### **NOTICE OF GENERAL MEETING**

#### **CHARIOT OIL & GAS LIMITED**

*(A company incorporated in Guernsey with registered number 47532)*

NOTICE IS HEREBY GIVEN that a General Meeting of Chariot Oil & Gas Limited (“the Company”) will be held at the offices of finnCap, 60 New Broad Street, London, EC2M 1JJ at 10 a.m. on 18 August 2014 for the purpose of considering and, if thought fit, passing the resolutions set out below. Expressions used in this Notice of General Meeting have the meanings given to them in the circular to shareholders of the Company dated 22 July 2014 (“the Circular”) of which this Notice of General Meeting forms part (unless the context otherwise requires).

#### **ORDINARY RESOLUTION**

1. That the Directors be and they are hereby generally and unconditionally authorised in accordance with Article 3.5 of the Articles of Incorporation of the Company (“the Articles”) to exercise all powers of the Company to allot relevant securities (as defined in Article 3.5(b) of the Articles) up to the aggregate nominal amount of £1,368,272 (being 136,827,248 Ordinary Shares) provided that the authority hereby conferred shall operate in substitution for and to the exclusion of any previous authority given to the Directors pursuant to Articles 3.5 of the Articles or otherwise and shall expire on whichever is the earlier of the conclusion of the next Annual General Meeting of the Company or the date falling 15 months from the date of the passing of this resolution unless such authority is renewed, varied or revoked by the Company in a general meeting save that the Company may at any time before such expiry make an offer or agreement which might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority hereby conferred had not expired.

#### **SPECIAL RESOLUTIONS**

2. That, subject to and conditional upon Resolution 1 being duly passed, the Directors be and they are hereby empowered pursuant to Article 3.7 of the Articles to allot equity securities (as defined in Article 3.8(a) of the Articles) pursuant to the Placing for cash as if Article 3.6(a) of the Articles did not apply to any such allotment pursuant to the general authority conferred on them by Resolution 1 above (as varied from time to time by the Company in general meeting) PROVIDED THAT such power shall be limited to the allotment of 58,596,038 Ordinary Shares issued pursuant to or in connection with the Placing and the power hereby conferred shall operate in substitution for and to the exclusion of any previous power given to the Directors pursuant to Article 3.7 of the Articles or otherwise and shall expire on whichever is the earlier of the conclusion of the next Annual General Meeting of the Company or the date falling 15 months from the date of the passing of this resolution unless such power is renewed or extended prior to or at such meeting except that the Company may before expiry of any power contained in this resolution make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.
3. That, subject to and conditional upon Resolutions 1 and 2 being duly passed, and in addition to the authority granted pursuant to Resolution 2 above, the Directors be and they are hereby empowered pursuant to Article 3.7 of the Articles to allot equity securities (as defined in Article 3.8(a) of the Articles) as if Article 3.6(a) of the Articles did not apply to any such allotment pursuant to the general authority conferred on them by Resolution 1 above (as varied from time to time by the Company in general meeting) PROVIDED THAT such power shall be limited to:
  - (a) the allotment of equity securities in connection with a rights issue or any other pre-emptive offer in favour of holders of equity securities where the equity securities respectively attributable to the interests of all such holders are proportionate (as nearly as may be) to the respective amounts of equity securities held by them subject only to such exclusions or other

arrangements as the Directors may consider appropriate to deal with fractional entitlements or legal or practical difficulties under the laws of or the requirements of any recognised regulatory body in any territory or otherwise; and

- (b) the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal amount of £260,771 representing 10 per cent. of the Enlarged Share Capital.

and the power hereby conferred shall expire on whichever is the earlier of the conclusion of the next Annual General Meeting of the Company or the date falling 15 months from the date of the passing of this resolution unless such power is renewed or extended prior to or at such meeting except that the Company may before expiry of any power contained in this resolution make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

Dated 22 July 2014

By order of the Board of Directors

International Administration Group (Guernsey) Limited  
Company Secretary of  
Chariot Oil & Gas Limited

**Notes:**

1. A member of the Company entitled to attend and vote at the meeting convened by the notice set out above is entitled to appoint a proxy to attend, speak and, on a poll, to vote in his/her place. A proxy may demand, or join in demanding, a poll. A proxy need not be a member of the Company.
2. An instrument for the purposes of appointing a proxy is enclosed. To be valid, the instrument and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of authority, must be received by the Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham BR3 4ZF no later than 10 a.m. on 15 August 2014 or not less than 48 hours before the time appointed for holding any adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, before the time appointed for taking the poll and, in default, the instrument shall not be treated as valid.
3. Completion of the instrument appointing a proxy does not preclude a member from subsequently attending and voting at the meeting in person if he/she so wishes.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority will be determined by the order in which the names stand in the register of members in respect of the joint holding.
5. In the case of a member which is a company, this proxy must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company.
6. Pursuant to Regulation 41 of the Uncertificated Securities (Guernsey) Regulations 2009, the Company gives notice that only those shareholders entered on the relevant register of members ("**the Register**") for certificated or uncertificated shares of the Company (as the case may be) 48 hours before the time of the GM ("**the Specified Time**") will be entitled to attend or vote at the GM in respect of the number of shares registered in their name at the time. Changes to entries on the Register after the Specified Time will be disregarded in determining the rights of any person to attend or vote at the GM. Should the GM be adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purposes of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned GM. Should the GM be adjourned for a longer period, then to be so entitled, members must be entered on the Register at the time which is 48 hours before the time fixed for the adjourned GM or, if the Company gives notice of the adjourned GM, at the time specified in the notice.





# CHARIOT OIL & GAS LIMITED

GENERAL MEETING to be held on 18 August 2014 at 10 a.m.

## PROXY FORM

Please print clearly in **BLACK INK** and in **BLOCK CAPITALS**. Please read the **NOTES** below before completing this Proxy Form.

Name: (full) .....

Address: (full) .....

Postcode: .....

I/we the above mentioned shareholder(s) of Chariot Oil & Gas Limited, hereby appoint

Name: (full) .....

Address: (full) .....

Postcode: .....

or failing him the Chairman of the Meeting (note that a Proxy need not be a member of the Company but must attend the Meeting in person).

as my/our proxy to attend, speak and vote in my/our name(s) and on my/our behalf at the General Meeting of Chariot Oil & Gas Limited (the "Company") which will be held at the offices of finnCap Limited, 60 New Broad Street, London, EC2M 1JJ on 18 August 2014 at 10 a.m. and at any adjournment thereof.

I/We direct my/our proxy to vote on the following resolutions as I/we have indicated by marking the appropriate box with an 'X'. If no indication is given, my/our proxy will vote or abstain from voting at his/her discretion and I/we authorise my/our proxy to vote (or abstain from voting) as he/she thinks fit in relation to any other matter which is properly put before the meeting.

All capitalised term included herein have the same meaning as given to them in the circular to shareholders of the Company dated 22 July 2014.

Ordinary Resolution	For	Against	Withheld
1. To authorise the Directors to allot relevant securities (as defined in Article 3.5(b) of the Articles) up to an aggregate nominal amount of £1,368,272.			
<b>Special Resolutions</b>			
2. To authorise the Directors to disapply the pre-emption rights in relation to the allotment of equity securities issued pursuant to or in connection with the Placing.			
3. To authorise the Directors to disapply the pre-emption rights in relation to the allotment of equity securities with an aggregate nominal value of £260,771.			

Shareholder signature:

Date:

### NOTES

- As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.
- Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
- A proxy does not need to be a member of the Company but must attend the meeting to represent you. To appoint as your proxy a person other than the Chairman of the meeting, insert their full name in the box. If you sign and return this proxy form with no name inserted in the box, the Chairman of the meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the GM and are aware of your voting intentions.
- Please indicate above how you wish your votes to be cast in respect of each resolution by placing an "X" (or entering the number of Shares which you are entitled to vote) in the appropriate box. If you sign this Form of Proxy and return it without an indication of how your proxy will vote on any particular matter, your proxy will exercise his or her discretion as to whether, and if so how, he/she votes and he/she may also vote on any other business (including any amendments to the resolutions) which may be properly conducted at the General Meeting. A vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes for and against each resolution.  
**This Proxy Form will only be used in the event of a poll being directed or demanded.**
- In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
- In the case of a corporation, this proxy should be either given under the corporation's common seal or signed for and on its behalf by a duly authorised officer or attorney of the corporation.

Upon completing this Proxy Form, please sign and return it to Capita Asset Services, PXS 1, 34 Beckenham Road, Beckenham BR3 4ZF so as to be received by Capita Asset Services as soon as possible but in any event by no later than 10 a.m. on 15 August 2014 together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority. Completion and return of this Proxy Form will not, however, preclude (a) holder(s) of Shares from attending and voting at the meeting if he/she (they) so wish/wishes and is (are) so entitled.

Business Reply Plus  
Licence Number  
RLUB-TBUX-EGUC



PXS 1  
34 Beckenham Road  
BECKENHAM  
BR3 4ZF