21 June 2023

Chariot Limited

("Chariot" or the "Company")

2022 Final Results

Chariot (AIM: CHAR), the Africa focused transitional energy company, today announces its audited final results for the year ended 31 December 2022.

Adonis Pouroulis, CEO commented:

"As the importance of a successful energy transition builds across the world, Chariot continues to develop a business that spans key elements of the spectrum – natural gas, renewables and green hydrogen – each of which is likely to be a critical energy source of the future. Over the past year we have delivered on a number of the core objectives we set for ourselves across our three pillars, bringing new, exciting and value accretive opportunities into the business. Each of our projects are scalable, focused on delivering accessible, reliable and sustainable sources of power and each has the potential to become an important part of the supply chain within the countries in which we operate. We are proud of our unique position within this sector and the part we are playing in the global energy revolution."

Key Highlights Throughout 2022 and Post Period End.

Transitional Gas – fast tracking the Anchois development project and unlocking a new gas province in Morocco

- Significant gas discovery and drilling operations successfully completed on the Anchois Gas Development ("Anchois") project, located in the Lixus licence, ("Lixus") offshore Morocco.
- Post-well analysis confirmed excellent, consistent gas, delivered a material increase in resources totalling 1.4Tcf in total remaining recoverable resources (2C and 2U) and de-risked a number of high potential future targets.
- Award of Rissana Offshore licence ("Rissana") located around Lixus captured basin scale opportunity with 2U prospective resource estimates of 7Tcf.
- Front end engineering design ("FEED") initiated on Anchois alongside Subsea Integration Alliance ("SIA") in June 2022 and materially completed post period end.
- Societe Generale appointed as financial advisor to project – keen interest received from a number of Moroccan, African and European banks in providing future project finance.
- Gas sales principles agreed with ONEE for up to 0.6 BCM per year (c. 60 mmscf per day) on a take or pay basis for a minimum of 10 years – discussions are ongoing with other offtake parties and negotiations progressing well.
- Pipeline tie-in agreement for the Maghreb-Europe Gas Pipeline ("GME") signed, underlining strategic proximity of Anchois to domestic and international market.
- Partnership agreed with Vivo Energy to develop a gas-to-industry market in Morocco - further commercialises future production.
- Competitive partnering process well advanced on Anchois.

Transitional Power – providing reliable renewable energy solutions across Africa

- Partnership with Total Eren extended from January 2022 with Chariot having the right to invest up to 49% into the co-developed mining projects.
- Over 500 MW added to the mining pipeline over the past year in partnership with Total Eren:
    - Development of a 40 MW photovoltaic solar project at the Tharisa platinum mine in South Africa,

    - Partnership with First Quantum to develop a 430 MW solar and wind project in Zambia.
    - Development of a 30 MW solar plant at Karo Mining's platinum mine in Zimbabwe.
- Diversification through shareholding in Etana Energy (Pty) Ltd ("Etana") – an active joint venture company ("JV") which holds one of only three electricity trading licences in South Africa. The JV provides access to transmit, trade and re-trade energy through national grid and unlocks future participation in further renewable projects.
- Acquisition of renewable water production business, owned by ENEO Water PTE Limited ("ENEO"), in response to increasing water scarcity in Africa and as a complementary fit for both the Transitional Power and Green Hydrogen pillars; first project in Djibouti has now been commissioned.

Green Hydrogen – developing a critical energy source of the future

- Pre-Feasibility study completed on Project Nour in Mauritania confirms project's world class potential.
- Total Eren announced as partner to co-develop Nour and progress offtake and feasibility studies.
- Memorandum of understanding signed with the Port of Rotterdam to establish early import supply chains into the European market.
- Pilot projects signed in Morocco with Mohammed VI Polytechnic ("UM6P") and Oort Energy to evaluate large scale green hydrogen production in country.
- Other green hydrogen projects under evaluation with plans to further expand portfolio in Africa.

Corporate

- Placing and oversubscribed open offer successfully raised $29.5m in June 2022.
- Cash of $12.1 million as at 31 December 2022 with no debt and minimal remaining work commitments.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014, as retained in the UK pursuant to S3 of the European Union (Withdrawal) Act 2018.

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NOTES FOR EDITORS:

About Chariot

Chariot is an Africa focused transitional energy group with three business streams, Transitional Gas, Transitional Power and Green Hydrogen.

Chariot Transitional Gas is focused on a high value, low risk gas development project offshore Morocco in a fast-growing emerging economy with a clear route to early monetisation, delivery of free cashflow and material exploration upside.

Chariot Transitional Power is focused on providing competitive, sustainable and reliable energy and water solutions across the continent through building, generating and trading renewable power.

Chariot Green Hydrogen is partnering with Total Eren and the Government of Mauritania on the potential development of a 10GW green hydrogen project, named Project Nour.

The ordinary shares of Chariot Limited are admitted to trading on the AIM under the symbol 'CHAR'.

CHAIRMAN'S STATEMENT

In 2023, Chariot continued its journey to becoming a significant energy provider across sectors and across the African continent. Each day we move material projects forward towards commercialisation whilst at the same time we envision and initiate additional new ventures. These projects include natural gas and large-scale renewable power developments, working to connect these cleaner energy sources to industrial clients, as well as preparing for the increasing requirement and growth of green hydrogen into the energy supply chain.

Our Cleaner Energy Mission

The scale and importance of the transition demands focus and cooperation across all energy sectors. Access to energy is fundamental to achieve human growth, comfort and contribution. Globally, it is estimated that 600 million people are living in energy poverty; Chariot is committed to doing its part to deliver reliable, affordable energy in all our project areas. With increasing global volatility, the need for security of energy supply has been amplified. Our core mission across three corporate pillars is to deliver low cost cleaner energy options across industries, supply chains, private and retail sectors. By having business units that span the transitional energy space, we fit into a great variety of commercial settings and anticipate that we will introduce additional future opportunities across our African footprint. We are focused on delivering multiple solutions to multiple clients with a lower carbon focus. Our primary purpose is to connect the abundance of the African energy resource with energy hungry urban and industrial sectors as well as underserved populations. The driving intention is to always accomplish these goals via the cleanest technologies directed at projects that make the biggest difference.

Projects with Impact

Chariot continues to focus on large scalable projects where we have clear advantage via our expertise, technology, timing, or position. The Moroccan offshore Anchois gas development project is intended to resource local industry, reduce the carbon intensity of the power sector, and potentially access and supply export European markets. In South Africa, deregulation combined with our power trading licence enables the amalgamation of renewable wind and solar power generation with industrial, commercial, and retail customers. More remote industrial applications require more specific areal focus where we work with clients to achieve the optimal, targeted solutions. This is illustrated by the recent recognition of the Tharisa mine's Buffelspoort solar project as a 'Strategic Integrated Project' by the South African Presidential Infrastructure Coordinating Commission. Finally, Project Nour is already looking to enable multiple economic benefits to Mauritania via significant local content integration within each of the multiple steps of the green hydrogen development cycle. This both introduces and enables low carbon manufacturing processes such as green steel and ammonia production to the host country economy. In addition, our green hydrogen group is instrumental in testing new electrolysis and desalination technologies.

Throughout these efforts, our technical teams are busy working with host countries, ensuring strong partner engagement, application of the best technologies, and optimisation of project management. At the same time, we are always looking ahead to the next project and moving forward, step by step. It is gratifying to see the project pipeline materialise from idea to review, to feasibility, to materiality with the final focus on taking them through to execution and cashflow. Our company employees have an ideal mix of integrity, technical expertise, engagement, and business acumen. I am proud to work with everyone at Chariot, our partners and host countries to achieve our mission.

Focus on Sustainability

As our portfolio gains in both size and range, we are increasing our focus on sustainability and accountability. Our commitment towards best practice is seen in our initial materiality assessment. Two of the United Nation's "Sustainable Development Goals" are particularly salient to Chariot's path and underpin our business execution. Goal 7 strives to ensure access to affordable, reliable, sustainable, and modern energy for all while Goal 9 seeks to focus on the construction of resilient infrastructure, foster innovation and promote sustainable industrial growth. Every belief and resulting activity in all our business units are aligned on this trajectory.

Conclusion

Chariot is proud to be an active participant in the energy transition, a movement which has enormous importance for the global population. We continue to target advantaged, scalable growth across the transitional gas, power, and hydrogen sectors. In conclusion, I want to express our sincere thanks and appreciation to the people we work with across the table, across industries and across Africa. We look forward to an exciting, successful, and action-packed year for all our stakeholders.

George Canjar
Chairman
20 June 2023

CHIEF EXECUTIVE OFFICER'S REVIEW

Building a sustainable energy business

We are building a diversified sustainable energy business in an industry that is at the forefront of shaping a new energy world. Energy security is critical to modern day civilization and without it, social and economic stability is threatened.

As I review our progress since the last report, I am proud to look back on our achievements in constructing the foundations of our natural gas, renewable power and green hydrogen pillars – energy sources which all have a critical role to play in the future.

Our portfolio of projects has continued to evolve as we have expanded our footprint within the transitional energy space. Over the past year we have delivered on our core objectives across the three businesses and broadened into new ventures with the electricity trading licence owned by Etana and ENEO, bringing complementary dimensions to our asset base. With our current portfolio and plans for ongoing growth, I believe that Chariot is one of the most unique, well positioned and exciting players in the transitional energy sector.

Transitional Gas: Defining and unlocking a basin scale opportunity

In January 2022, we made a significant gas discovery at the Anchois gas project in Morocco and since then have materially increased our resource base, completed the FEED phase of its development, agreed key principles for long term gas sales, whilst progressing other offtake discussions, signed a joint venture partnership with Vivo Energy, and now are in the final stages of a farmout partnering process on Anchois and the Lixus and Rissana licences, which has been a very competitive process. We have also expanded our knowledge of the wider basin potential within Lixus and Rissana and we believe that getting Anchois into production will unlock a new natural gas province that will be an important energy supply for both domestic and European markets.

Transitional Power – Developing some of the largest sustainable power projects in Africa.

We took our renewable power business from a pipeline base of 15 MW to over 500 MW throughout the year, signing up the 40 MW solar project at the Tharisa platinum group metals mine in South Africa, 430 MW of solar and wind power at First Quantum's copper projects in Zambia, and 30 MW of initial solar capacity at Karo Mining's platinum mine in Zimbabwe in partnership with Total Eren which is now becoming part of the Total Energies group. We will continue to build out this side of the power business and will update the market as and when there are material developments.

Our shareholding in Etana, the electricity trading business in South Africa, which is already testing the platform, also offers the potential to unlock further ready-to-build large-scale renewable projects and is an enabler in securing the award of additional projects. Etana is one of only three companies that holds an electricity trading licence in South Africa and through this business we have the ability to generate, transmit, trade and re-trade energy through the country's national grid. With our broad network in-country we have the relationships, with our joint venture partners H1 Holdings, Neura Group and Meadows Energy, to secure offtakes across municipalities, industrial, retail and mining sectors so we can offer an end-to-end customer solution. We are proud to be the first empowerment partnership of this kind in South Africa and this business has the potential to unlock multiple revenue streams in delivering bespoke greener energy solutions to a wide range of consumers. We are aiming to build a pipeline of projects that can supply circa 2 GW of power and this platform can also expand into the wider grid network across southern Africa in years to come.

Green Hydrogen – Critical to achieving carbon reduction targets

A number of major participants entered the green hydrogen market in 2022, further validating the significant potential and the size of the prize of this industry. Our project, Project Nour, is one of the largest green hydrogen opportunities in the world, as confirmed by our pre-feasibility study completed in June 2022, and with Total Eren signing up to the project as a partner. This was a significant validation of the high quality of the project itself. We are delighted to be working with Total Eren as they bring extensive expertise and knowledge; we are closely aligned with them in our belief that this will be one of the most critical commodities of the future. We have ambitious plans as our goal is to be one of the world's leading green hydrogen producers and we will continue to evaluate other assets with a view to bringing them into our portfolio.

The Business Opportunity

We believe that the transitional energy space will be one of the most dominant sectors driving world economic growth for decades to come. As well as finding the projects that will provide material supply, another fundamental element is developing the technology to enable the transformation and delivery of this energy. Innovation is therefore also integral to success and we are at the leading edge of technological advancements in the industry. For example, Oort Energy's (with whom we have a strategic partnership) polymer electrolyte membrane, and the desalination equipment utilised in our water projects are both breaking ground in this regard – both looking to enable the provision of energy and water on an economical, accessible basis.

Whilst there are risks involved in these early stages, I believe we are leading from the front and reading the direction of travel correctly. With relentless innovation taking place in the energy space currently, the sector is at an exciting inflection point. I believe the energy industry has the potential to transform our lives, just as the internet did when gave people across the world the ability to connect on the world wide web. There are still many unknowns to be discovered – in the early 1990's we did not know that we would be able to use mobile phones as we do now for example – and challenges will arise, but the scale of the potential and the global need to decarbonise and take on the climate change challenge, in my view, underpins the biggest business opportunity of our time.

The Chariot ecosystem

The Chariot ecosystem forms the bedrock of the Company. Our portfolio offers a range of investment opportunities across different geographies, energy sources and development phases but each pillar has relevance to the other and they share important synergies. As well as being linked through our corporate values, across all our projects there are common attributes of the resources that we look to supply – reliable, affordable, accessible commodities that can help reduce our carbon footprint and enable diversification of wider industrial activities and downstream development. Our business has matured significantly both in breadth and depth as we have also developed the governance across each pillar which has its own dedicated team and reporting structure. Our network, shared ideas, shared vision and strategy is fundamental to our business, and each team brings something very special to the wider group. We have a long-term vision for this business and we will look to capitalise on these shared benefits whilst we grow the individual businesses within the Chariot stable.

Corporate Review

We successfully raised US$29.5m in June 2022 to progress the FEED for the Anchois project and for further development of our power portfolio, and I would like to thank the new and existing investors that supported this raise. The Chariot directors also participated and we remain inherently aligned with all our shareholders and focused on delivering value for all. The importance of our projects is also underlined by the backing that we get in each country in which we work and I would like to thank all the host nations and Governments for their support and partnership. It is a pleasure to work with ONHYM in Morocco and the Ministry of Hydrocarbons, Mines and Energy in Mauritania and I would like to thank our valued partners, Total Eren, H1 Holdings, Neura Group and Meadows Energy for their ongoing collaboration. I would also like to thank the Chariot family, from the Board to our employees, partners and consultants for their dedication, commitment and enthusiasm and of course, to our shareholders for their ongoing support.

Looking forward

To take on the challenge of reaching 2050 targets we need a wide-ranging transitional energy plan as we develop a new global energy mix. There is a huge challenge around the financing of these mega projects that are needed to accelerate the transition and there needs to be a global understanding that if we are all to succeed, we need something akin to a Marshall Plan to tackle this epic issue. The transition will not be linear so we will need to continue to adapt, collaborate and innovate but I firmly believe that when the human spirit decides to do something, with hard work and perseverance it can be achieved. I am excited about the future ahead as we have set out a road map for Chariot which tries to ensure long term growth, relevance, viability and above all sustainability. We aim to build a company that will last long into the future.

How we power our future world is one of the most critical issues of our time and we are proud to be developing some of the projects that will form key components of the future energy landscape. I look forward to where we go from here as we move into the next chapter in the Chariot story and continuing to update you as we move forward on our journey.

Adonis Pouroulis
Chief Executive Officer
20 June 2023

CHIEF FINANCIAL OFFICER'S REVIEW

Funding and Liquidity as at 31 December 2022

The Group remains debt free and had a cash balance of US$12.1 million as at 31 December 2022 (31 December 2021: US$19.4 million).

During 2022, the Group invested c.US$39 million (31 December 2021: c.US$12 million) into the business through its successful appraisal and exploration drilling campaign in Morocco, business development within the Transitional Power and Green Hydrogen businesses, and administration activities. Maintaining a lean cost foundation, without impacting operational capability, remains a core focus for the Group.

The proceeds of US$5 million raised from the issue of underwriting shares to Magna Capital LDA in January and March 2022, as well as the equity fundraising completed in June 2022 of US$29.5 million, allowed the Group to execute, and in the post-period complete, the FEED of its flagship Anchois gas development project, as well as progress opportunities within the Transitional Power and Green Hydrogen businesses across the African continent.

As at 31 December 2022, US$0.75 million of the Group's cash balances were held as security against Moroccan licence work commitments. The decrease from US$5.35 million at 31 December 2021 was due to a decrease in Moroccan bank guarantees.

The appointment of Societe Generale as financial advisor to lead debt financing of the Anchois project in Morocco demonstrates the project's bankable economic fundamentals. We are encouraged by the keen interest received from a range of high calibre Moroccan and international debt finance providers in potentially participating and look forward to providing further updates as we reach closer to final investment decision ("FID").

Financial Performance – Year Ended 31 December 2022

The Group's loss after tax for the year to 31 December 2022 was US$14.9 million, an increase of US$7.9 million on the US$7.0 million loss incurred for the year ended 31 December 2021. This equates to a loss per share of US$(0.02) compared to a loss per share of US$(0.01) in 2021.

The share-based payments charge of US$4.2 million for the year ended 31 December 2022 was US$3.4 million higher than the US$0.8 million in the previous year mostly due to the granting of employee and Directors' deferred share awards in the current year, and the full year impact of awards granted to employees joining the group as part of the Africa Energy Management Platform ("AEMP") Transitional Power acquisition in June 2021.

To provide further detail of total operating expenses, Green Hydrogen and other business development costs have been split out from other administrative expenses within the consolidated statement of comprehensive income.

Green hydrogen and other business development costs of $1.7 million (31 December 2021: $1.1 million) comprise non-administrative expenses incurred in the group's business development activities.

Other administrative expenses of US$8.5 million for the year ended 31 December 2022 are higher than the previous year's US$4.5 million due to one-off new venture costs, employment costs from scaling up the team to progress the Anchois gas development, as well as the inclusion of administration costs from the Transitional Power acquisitions.

Finance income of US$0.1 million (31 December 2021: US$NIL) relates to bank interest received on the increased cash balance over the period, as well as foreign exchange gains on non-Sterling currencies.

Total finance expenses of US$0.6 million (31 December 2021: US$0.5 million) include higher foreign exchange losses of US$0.5 million (31 December 2021: US$0.4 million) resulting from the holding of increased cash balances in Sterling to meet administrative expenses in the current year, as well as a US$0.1 million expense (31 December 2021: US$0.1 million expense) of the unwinding of the discount on the lease liability under IFRS 16.

Exploration and Evaluation Assets as at 31 December 2022

The carrying value of the Group's exploration and evaluation assets in both 2022 and 2021 relates entirely to the Morocco geographic area. During the year a further US$20.0 million (31 December 2021: US$18.9 million) was invested in the asset comprising completion of the successful appraisal and exploration drilling campaign and subsequent progression through engineering, design and commercialisation work to bring the Anchois development towards FID, along with other licence costs which were capitalised.

Other Assets and Liabilities as at 31 December 2022

The carrying value of goodwill of US$0.4 million at 31 December 2022 (31 December 2021: US$0.4 million) relates to the acquisition of AEMP in 2021 and reflects the intellectual property, management team and customer relationships acquired through that business combination. Three Memoranda of Understandings were announced for projects in the mining portfolio totalling over 500 MW of power in the year. These projects are large scale, early stage and are being progressed in partnership with Total Eren and a black economic empowerment ('BEE') partner on the Tharisa project, with minimal commitments in the near term. No impairment of the goodwill was identified in the period from acquisition to 31 December 2022.

The fair value of the Group's investment in power projects relates to the 10% project equity holding in the Essakane solar project in Burkina Faso as acquired with AEMP and is valued at US$0.4 million (31 December 2021: US$0.4 million). The project, a joint investment with Total Eren, continues to generate power under a long-term power purchase agreement with IAMGOLD's Essakane mine.

During 2022 the Group capitalised costs of $0.3 million within property, plant and equipment in relation to the construction of a desalination plant for the proof-of-concept water project in Djibouti, expected to begin commercial operations in the post-period.

In 2022, wellheads and casing valued at a total of US$1.4 million (31 December 2021: US$1.2 million) were held in inventory relating to the Anchois drilling campaign in Morocco.

As at 31 December 2022, 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$5.5 million (31 December 2021: US$14.2 million). The decrease is primarily due to significant activity on the Moroccan drilling campaign in December 2021 for which outstanding payables were due as at 31 December 2021.

Under IFRS 16 the Group has recognised a depreciating right of use asset of US$0.3 million (31 December 2021: US$0.3 million) and a corresponding lease liability based on discounted cashflows of US$0.4 million (31 December 2021: US$0.4 million) relating to the UK office. Following the extension of the lease term by one year in 2022, both the associated right-of-use asset and lease liability have been modified resulting in no overall net movement of the balances over 2022.

Outlook

The Company has achieved a significant amount in the 18 months since the transformational gas discovery at the Anchois-2 well in the Lixus licence in January 2022. The team has continued to drive this development towards FID and has been progressing gas sales agreements and debt financing options, in parallel with running a competitive partnering process. The geotechnical team has also been working across the wider exploration potential within the Lixus acreage and the surrounding Rissana licence awarded in February 2022.As a result, we are progressing towards monetising a hugely valuable basin scale opportunity with direct access to gas hungry markets in Morocco and Europe.

We are equally enthused by the progress being made in the Transitional Power and Green Hydrogen businesses with a number of world class projects already in the development pipeline as well as further opportunities that stem from our electricity trading platform in South Africa, We remain ambitious, to continue with this growth and development across our portfolio, but our priority focus is on getting to cashflow as quickly as possible through the development of our Moroccan assets.

Julian Maurice-Williams
Chief Financial Officer
20 June 2023

TECHNICAL DIRECTOR'S REVIEW OF OPERATIONS

Developing a strategic asset base

Chariot is working towards establishing a sustainable, scalable, long-term supply of gas to support the domestic Moroccan energy market combined with the opportunity to export surplus volumes to Europe. Whilst we remain fully focused on bringing the Anchois gas discovery, our "jewel in the crown", into production, and having made significant progress towards FID over the past year, we are also committed to leveraging our knowledge of the exploration potential of the area to continue growing and de-risking our wider portfolio.

Augmented by our recently announced partnership with Vivo Energy, we have a material, diversified portfolio with access to attractive markets and basin scale upside potential supported by a proven gas play.

Our Projects

Chariot owns a 75% working interest in and is operator of the Lixus Offshore and Rissana Offshore licences alongside our partner, Office National des Hydrocarbures et des Mines ("ONHYM"), which owns the remaining 25% working interest in each licence.

The importance of developing a material national energy resource has significantly increased in the last year due to volatile commodity prices and a historical reliance on energy imports. Chariot remains dedicated to building this portfolio of projects alongside the Kingdom of Morocco to ensure future energy sustainability and security whilst being a catalyst for growth and transition.

Chariot in Morocco

Our Transitional Gas pillar has had a transformational year, beginning with the announcement of the successful Anchois-2 appraisal and exploration well in January 2022, which confirmed the extension of the previously discovered A & B gas sands (2009) and further identified new gas-bearing reservoirs in the lower B, C, M and O sands exploration objectives.

The technical team worked diligently on the post-well analysis to evaluate the impacts of the discovery, which resulted in a total gas discovery of 150m net pay across seven stacked reservoirs - an increase of approximately 100m of net pay above the original discovery. Following this work, an independent assessment was completed by Netherland Sewell & Associates Inc ("NSAI") in July 2022, which confirmed the growing discovered resource base, with increases of 82% in 1C contingent resources from 201 Bcf to 365 Bcf and 76% in 2C contingent resources from 361 Bcf to 637 Bcf. The accurate prediction and discovery of new, good quality, reservoir gas sands in the O sand interval, also materially de-risked upside resources in the Anchois field, with the estimation of a further 754 Bcf of 2U prospective resources in three undrilled O sand targets with an improvement in the probability of geological success, now ranging from 49% to 61%.

The success of Anchois-2 allowed Chariot to accelerate its planning of the development of the gas field, with significant progress being made on the project in 2022. FEED work commenced in June 2022, through a collaboration with the Subsea-Integration-Alliance SIA. The award of FEED to an integrated engineering, procurement, construction, installation, and commissioning alliance, gave us the opportunity to fast-track and collaboratively fine tune the development planning phase of the project.

Work continues across the surrounding Lixus and Rissana acreage as we progress with our exploration in looking to find the next Anchois. We have an extensive seismic database, the interpretation of which has led us to develop our wider prospect inventory, of which c.8 Tcf in 2U prospective resource was validated by NSAI in 2022, and we have recently identified further leads within the Miocene reservoir fairway which we look to de-risk with further seismic acquisition in due course.

With the range of assets within our portfolio, strategic position close to infrastructure, multiple markets and a focus to get to first gas as quickly as possible, we look forward to unlocking and delivering tangible value from this basin-scale opportunity.

Anchois ready for development

Since completing the Anchois-2 drilling campaign, which was delivered safely, on time and on budget, Chariot has been working on the development plan for the field. The conclusion of pre-FEED stage, which incorporated the results of the drilling campaign to verify the development concept, was followed by further definition of the development through FEED work. This activity was performed in collaboration with SIA and its constituent companies Subsea7 and Schlumberger Limited (“SLB”), who made excellent progress across the subsea-to-shore development planning.

The initial development considers three producer wells, including a re-entry of the Anchois-2 well, with multi zone completions to enable gas recovery across multiple stacked sands. The producer wells will be completed subsea with associated SPS (“subsea-production-systems”) infrastructure controlling and collecting the produced hydrocarbons from the wells for delivery to the onshore facilities via a subsea flowline. The flowline part of the SURF (“Subsea-Umbilicals-Risers-Flowlines") package which also includes the umbilical used to control the SPS infrastructure and deliver chemicals to the offshore production facilities.

Importantly, the system has been developed with future expansion capabilities in mind, to facilitate the tie-back of future additional wells, a key component in Chariot’s vision for future growth for the field. Through the identification of the O sand reservoir targets at Anchois, this step can already be contemplated through simple and cost-effective exploration activities (well deepening and pilot holes) combined with the development drilling campaign, to evaluate the 754 Bcf of best estimate 2U gas resources remaining to be found on the field.

Onshore, the central processing facility (“CPF”) will process the hydrocarbons for delivery of treated gas and condensate to market. Following the increase in field resources, the initial capacity has been increased from 70 mmscfd to 105 mmscfd. FEED studies are complete on this facility and operating and maintenance proposals for the early years of operations post-first gas have been provided, allowing a smoother transition from construction to commissioning to normal operations, prioritising Moroccan nationals as operating personnel.

From the CPF, an onshore gas pipeline will be constructed to tie-in to the GME at the M21 valve station. This pipeline directly connects to the anchor gas offtakers, with a tie-in agreement already in place and negotiations regarding the gas transportation and ancillary agreements progressing.

Alongside FEED, the environmental, social impact assessment (“ESIA”) is nearing completion and onshore and offshore environmental baseline surveys have been conducted. Public consultations continued in H1 2023, and the Company will submit final documentation for consideration and approval by the authorities shortly. In-line with requirements from potential lending banks, this ESIA is being performed to fulfil local obligations and also in line with IFC Performance Standards and the Equator Principles.

Subject to financing, the next technical steps in the development of the Anchois field will be the contracting of the Engineering, Procurement and Construction (“EPC”) for the various scopes of the project and certain commercial proposals have already been requested. The application for the exploitation concession from the Government of Morocco is also in discussion, which would give the Company rights to commercialise the gas over an initial 25 year period and which is extendable by a further 10 years. This Concession application is supported by the field development plan (“FDP”), which is in final stages of discussion within the Lixus Offshore joint venture partnership.

Gas Commercialisation

Future commercialisation of the Anchois gas is also key to unlocking the development of the project. The domestic gas market in Morocco has generally strengthened since gas sales from Algeria, previously supplied into the Kingdom via the GME, ceased in October 2021. This coincided with a period of unprecedented volatility in global gas markets and meant the loss of a predictable gas supply to Morocco's domestic power plants. An alternative supply of international gas was required to fuel these plants which led to a resultant uptick in costly imports from Europe to fill the shortfall.

The importance of the project as a reliable domestic gas supply was underlined by the Gas Sales Principles signed in December 2022, with the Office National de l'Electricité et de l'Eau Potable ("ONEE"). This agreement covers an offtake of up to 60 mmscfd over a 10 year period on a take-or-pay basis and underpins the development plan and financing. Additionally, Chariot signed a Pipeline Tie-In Agreement to the major GME in Morocco with our partners, owners and operators of the pipeline, ONHYM. This agreement secures access to the GME, which runs from eastern Morocco through to Tangiers in the north and across to Spain and whilst Anchois field gas volumes could supply expected domestic demands, the GME pipeline gives a direct conduit for surplus volumes to be sold into Europe.

ONEE's domestic power stations, which historically have taken gas from the GME, are those at Ain Beni Mathar and Tahaddart. These plants have a combined generation capacity of approximately 800 MW and have historically consumed up to 100 mmscfd, representing approximately 7.5% of Morocco's national power generation capacity. ONEE has also recently announced plans for the construction of the Al-Wahda open cycle gas turbine (OCGT) power plant adjacent to the Maghreb-Europe Gas Pipeline (GME), which is anticipated to have a final total dual-fuel capacity of 900 MW once in operation.

To bolster and facilitate the supply of gas to industry, a partnership agreement was signed in May 2023 with Vivo Energy, a leading distributor of petroleum products in Morocco. This agreement leverages Chariot's project portfolio and upstream expertise and complements Vivo's existing customer base and extensive knowledge of the industrial sector in country. The partnership aims to implement a gas-to-industry business in Morocco through the development of marketing and commercialisation of natural gas to industrial customers as well as putting in place a long-term gas sales agreement for a portion of the future gas production from the Anchois project.

Beyond Morocco, export gas sales opportunities are also being discussed with multiple offtakers, for the delivery of surplus gas to Europe, where the desire for a diversity in gas supply following the events in Ukraine has increased. Specifically, in Spain, the daily demand is approximately 3 bcf/d, representing a material established market capable of absorbing growth in production from Chariot's projects.

The Anchois gas development project also benefits from the investment climate in Morocco, which has world-class fiscal terms, designed to attract investment into the sector. These terms include a modest 3.5% royalty for offshore gas in greater than 250m water depth and provides the benefit of a 10 year corporate tax holiday from the onset of production. Combined with the strengthening gas markets, this supports an outstanding commercial opportunity for domestic development.

Partnering

The transformational potential of the Anchois gas development project has been validated through a number of third party farmout offers.

The partnering process has been competitive; with approximately 40 companies having accessed a data room and multiple offers were received from significantly larger E&P companies. This process both technically validated Chariot's development plan as well as the exploration potential within Lixus and Rissana and selection of the preferred bidder is now in the final stages. The offers, should they proceed to completion, anticipate that Chariot would retain a material stake in the licences and that there would be an upfront cash consideration. Further, any farmout may provide the financing of the anticipated development capital expenditure to first gas and updates will be provided as soon as possible.

Project Financing

In April 2022, Chariot announced the appointment of Societe Generale, a leading financial services group, to assist with the debt project financing for Anchois. The project finance process has continued to mature over the past year, attracting wide interest from a variety of Moroccan and European banks. Having project finance in place is key as it can allow additional future financing for further expansion as the project develops.

Maturing offshore exploration – Lixus and Rissana

Chariot has operated exploration blocks offshore northern Morocco since 2013, equipping the technical team with an unparalleled knowledge of the margin.

Over the past decade, the work we have completed across our licences has enabled us to compile a vast database of seismic, well and geological data, allowing us to deploy our unique expertise and insight to mature a large, low-risk and diverse portfolio.

Lixus

The Lixus Offshore licence covers a current area of 1,794km^2, including the Anchois discovery. As a result of the successful appraisal and exploration drilling of Anchois-2 in 2022, prospects adjacent to the immediate Anchois field and across both Lixus and Rissana licences have been materially de-risked, in particular through the predictive power of a range of seismic attributes which have demonstrated an association to gas-bearing reservoir.

Resource upgrades across our Moroccan portfolio, confirmed in the NSAI report in 2022, demonstrate the multi-Tcf opportunity within the wider basin. Updated assessments on two key undrilled prospects, Maquereau and Anchois West, had uplift in both prospective resource potential and probability of geological success; the Anguille prospect, which was not previously evaluated, was also validated with significant volumes located in shallow water depths close to the coast.

These three high-graded prospects form the basis of potential future development hubs across the Lixus licence, all of which have tie-in capabilities with the planned Anchois infrastructure. Combined, these prospects hold 2U prospective resources of 838 Bcf with an estimated probability of geological success ranging from 30-52% and, with success, will unlock material additional volumes from surrounding related prospects. The total remaining recoverable resources (2C plus 2U, comprising audited and internal Chariot estimates) in the entire Lixus portfolio stands at approximately 4.6 Tcf, all within this tertiary gas play linked to the Anchois field.

Rissana

The large 8,489km^2 Rissana Offshore licence was awarded in February 2022 and fully encompasses the maritime boundaries of the Lixus licence. Rissana comes with minimal work commitments in the initial period and captures a wide variety of plays across two legacy 3D seismic surveys and extensive regional 2D data.

Rissana’s diverse exploration portfolio consists of extensions of the classic Anchois Miocene turbidite play, large Mesozoic and Miocene structural plays and the new Miocene basin floor fan play, recently identified on 2D data. A total 2U prospective resource of over 7 Tcf, independently assessed by NSAI, combines the lower risk Anchois tertiary gas play, anchored by the Emissole prospect on 3D seismic, and multi Tcf prospects in a higher-risk Mesozoic play, inherited from Chariot’s legacy Mohammedia Offshore licence area.

Subject to financing, further prospectivity will be matured by an upcoming 2D seismic acquisition campaign, which will provide a dense grid of data over identified areas of interest, focussing on mapping further prospectivity in the Anchois gas play and also to confirm the anticipated material potential of the basin-floor fan plan. The campaign aims to better image trapping geometries of key prospects, improve imaging for attribute evaluation and fluid analysis and tie the existing 3D seismic and well data for more robust calibration.

Domestic Gas to Industry Markets

Chariot's acreage sits in a prime position to meet industrial needs, with 67% of Morocco’s GDP originating from the Atlantic coastal areas from Jorf Lasfar in the south to Tangier in the north. A portion of gas volumes from Chariot’s activities could be deliverable to industry via a variety of potential solutions, including piped gas, leveraging off of the existing GME pipeline and existing supply pipelines in the Kenitra area, or via ‘virtual pipeline’ solutions using compressed or liquified natural gas (CNG or LNG).

The most proximal market to Chariot’s activities, Kenitra, hosts an immediate market demand of 10-15 mmscfd, where the supply gap is currently swelling due to dwindling production onshore; supply is decreasing by approximately 40% each year while demand is projected to increase by 60% by 2027.

The industrial sector in Tangier will also require a supply boost as the port city is set to expand its industrial zones significantly; an important offtaker at the tip of the GME.

Competing with imported petroleum products such as LPG, historic prices of gas sales to industry have commanded consistently high prices of US$11-12 per mmbtu, which is believed to have recently risen in response to the reduced supplies. Together, this creates an attractive and scalable market to which Chariot is preparing to enter, to also benefit the Kingdom through the delivery of cleaner and cheaper energy to help drive industrial growth, realise an important expansion of related infrastructure and deliver the associated economic benefits to all stakeholders.

Duncan Wallace
Technical Director
20 June 2023

TRANSITIONAL POWER

Ongoing Evolution of the Transitional Power Business

Throughout 2022, the Transitional Power business secured the development of a 40 MW solar PV project in South Africa, a 430 MW wind and solar project in Zambia and a 30 MW solar project in Zimbabwe; all being developed in partnership with Total Eren.

In January 2022, a three year partnership was put in place, with the option to extend for a further two thereafter; Chariot has the right to invest between 15-49% in the co-developed projects.

It is a pleasure to continue to work together as we are strongly aligned with our approach to these developments, and, as evidenced by our collaboration in green hydrogen, there are ambitions to collaborate on other projects and transactions in Africa.

We have also continued progress other opportunities that stem from wider needs and scarcity of resources by expanding into electricity trading with our shareholding in Etana and the ENEO water acquisition.

Solar and Wind Solutions for Mining Projects in Africa.

With an ever-growing drive to lower carbon emissions, mining companies are increasingly focused on reducing their footprints, aligning with ESG targets and also securing a sustainable, reliable and competitive source of energy for their often remote operations. Our on-site power solutions help our clients decarbonise their operations, while simultaneously reducing their operating costs and securing a diversified source of energy supply. This allows them to meet their sustainability requirements without compromising on reliability and can mitigate exposure to market fluctuations.

Project Overviews:

Essakane: Burkina Faso: Solar Power Production

Chariot's first renewable project supplies 15 MW of solar power as part of a hybrid solar-thermal power solution to IAMGOLD's Essakane gold mine in Burkina Faso. On commissioning, the project was the largest hybrid photovoltaic (PV)-heavy fuel oil (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% equity in this award-winning project, with Total Eren holding the remaining 90%. Chariot's team has been involved in the project from the outset and has operated successfully since its completion in 2018.

100% of permanent Essakane project staff are nationals, while 1% of project revenues are dedicated to community investment, such as tree planting campaigns and the distribution of solar kits to schools. Carbon credits are also registered with the UN to raise funds for community developments.

Tharisa: South Africa: Solar Power Generation

In February 2022, Chariot signed a memorandum of understanding with Tharisa plc, the platinum group metals and chrome producer, to develop a solar PV project for the supply of electricity to the Tharisa mine, in the North West Province, South Africa.

The solar PV project is initially scoped to be 40 MW with demand expected to increase over the life of the Tharisa Mine. Working alongside a BEE partner, this memorandum is the first step towards the implementation of the project and signing of a long-term power purchase agreement for the supply of electricity on a ‘take-or-pay’ basis. Project development and permitting is progressing well and environmental approval has been received.

First Quantum Minerals: Zambia: Wind and Solar Power Project

We have also established a partnership with First Quantum Minerals (“FQM”), a global mining and metals company, in March 2022, to advance the development of a 430 MW solar and wind power project for its mining operations in Zambia. This flagship project has the potential to complement and expand Zambia’s existing renewable energy capacity and would provide FQM with competitive and sustainable power for its copper operations.

While initial development and permitting workstreams continue to progress, the project has received high profile endorsement from His Excellency, President Hakainde Hichilema, who publicly stated that “Independent power producers are key to unlocking the sector by increasing Zambia’s capacity and grid stability” during a presentation earlier this year.

Karo Mining: Zimbabwe: Solar Power Project

In Zimbabwe, we are also working on the development, financing, construction, and operation of a solar PV project that will provide competitive electricity for the Karo Platinum Project.

The project is expected to have an initial installed capacity of 30 MWp with a potential extension of up to 300 MWp and is being built as part of the Karo mine’s construction.

Electricity Trading Licence

Chariot has broadened both its exposure and approach to the renewable energy sector within South Africa, in acquiring an interest in Etana which holds an electricity trading licence and which is already testing the platform.

Etana’s objective is to deliver unique renewable energy mix solutions at competitive prices to help address the significant power requirements across South Africa with the licence opening up access to a range of high-volume off-takers including municipal, industrial and retail customers. Etana is owned indirectly by Chariot (25%), the Neura Group (“Neura”) (49%), H1 Holdings (21%) and Meadows Energy (5%) H1 Holdings and Meadows Energy have a proven track record in developing and investing in large renewable projects in Africa, whilst Neura has developed a unique hardware and software-based technology specifically designed for trading in the South African environment.

The Market Opportunity

South Africa, the largest electricity market on the sub-Saharan Africa, is currently facing a severe power crisis with daily load shedding. The country is under pressure to meet growing power demand with cleaner resources, while simultaneously addressing its overreliance on a system that remains largely fueled by coal and is failing to generate sufficient supply. To tackle the crisis, the government is rapidly deregulating the market to allow private generation and there is an increasing shift towards renewable power and greener energy solutions that can capitalise on the country’s world-class solar and wind resources. Chariot, alongside potential partners, is looking to bring into production a number of “shovel ready” opportunities that will add new clean power capacity to the grid.

Renewable Water Production Business

Post period, we also announced the acquisition of the business and assets of an independent water producer, ENEO, which is complementary to both our Transitional Power and Green Hydrogen businesses. The business is focused on delivering clean water solutions using renewable energy and our intention is to originate, invest in and own decentralized water supply projects that can provide affordable water access for private offtakers and municipalities through long term agreements. Utilising a modular, scalable, reverse osmosis technology that can be powered 100% by solar energy to produce desalinated water, a proof-of-concept project at the largest windfarm in Djibouti has now been commissioned. This project will provide 50 m^3 potable water per day to local communities for the next 20 years and the team is looking to build out this offering into further jurisdictions on the continent.

We continue to look at strategic partnering opportunities at the subsidiary level to provide equity finance for these projects. In parallel, we are actively pursuing other renewable energy projects across the continent alongside our partner Total Eren.

GREEN HYDROGEN

World class project with world class resources

Chariot's green hydrogen project, "Project Nour" spans two onshore areas, totalling approximately 5,000km^2 across northern Mauritania. With up to 10 GW of electrolysis to be installed, it could become, once implemented at scale, one of the most significant green hydrogen projects in Africa and one of the largest global projects of its kind by 2030.

The Market Opportunity

Green hydrogen, produced by splitting water through electrolysis using renewable energy, currently makes up 2-4% of total global hydrogen production, approximately 115 Mt per annum. The International Renewable Energy Agency (IRENA) projects that the combined value of hydrogen and its derivatives will be larger than the fossil fuel market by 2050 and estimates that global demand will reach up to 800 million tonnes by that decade, with green hydrogen potentially meeting up to 100% of this demand. As demand rises and green hydrogen is increasingly adopted as a reliable, sustainable energy source, Deloitte predicts that the market is expected to be greater than the value of liquid natural gas trade by 2030 and further grow to reach US1.4 trillion per year by 2050.

Project Nour has the ability to generate 1.2 Mt of green hydrogen per year so meeting global demand would require over 600 similar sized projects. This demonstrates the enormous growth potential of the hydrogen industry and the need for giga-scale projects like Nour. This scale of green hydrogen production will require massive amounts of dedicated renewable energy generation and infrastructure but will be an essential component for decarbonizing hard-to-abate sectors such as heavy industry, shipping and transport.

Project Overview

Mauritania has unique and complementary solar and wind resources, and as confirmed by the Pre-Feasibility Studies completed in May 2022, Project Nour has the potential to produce some of the most competitive green hydrogen in the world. Due to its scale, Project Nour has the size and the potential to move the needle of Mauritania's GDP and its society at large, contributing to a range of sustainable economic benefits including providing baseload power to the national grid, diversifying industrial activities such as enabling green steel and green ammonia production, promoting job creation and developing local infrastructure. It could also provide a cost effective, transportable energy solution to replace CO_2 emitting fuels for export to the European market and the MoU signed with the Port of Rotterdam in April 2022 was a first step towards establishing these supply chains.

Chariot was delighted to bring in Total Eren as a 50:50 partner to co-develop the project last September. Total Eren, which counts TotalEnergies, the multi-energy company as a strategic shareholder, brings access to the wider group's specialist 'One Tech' engineering team which has wide ranging expertise and experience in developing solar, wind and green hydrogen projects globally. Chariot is co-leading on project development, permitting and stakeholder engagement and the partnership is currently progressing with the in-depth feasibility studies and pursuing offtake options.

Local Content

Socio-economic benefits of hydrogen projects have become a focal area and Chariot is currently developing a dedicated programme in line with the Government's recently published local content strategy. The partnership has teamed up with a consultancy to find areas of opportunity for local businesses and assess the training needed to maximise local labour with the aim of ensuring as much in-country participation as possible. Seventeen focus areas have been identified, based upon the additional skills, certifications and capital required. This analysis has been shared with the business community and selected donor organisations to look to target specific investments needed to make successful bids and incentive mechanisms are being devised to ensure local content is actively promoted during the tendering process.

The Chariot–Total Eren partnership is proud to be working alongside the Government of Mauritania to support its ambition to become a leading producer and exporter of green hydrogen, while ensuring that Nour delivers in-country value in line with broader economic development.

Developing projects of this scale:

Great progress has been made across this sector over the past two years. However, green hydrogen remains a nascent industry that will require innovative and collaborative solutions to ensure the ongoing development of these giga-scale projects. The cost of capital remains one of the key drivers to achieve project economics and there is notable momentum from the Government of Mauritania to champion efforts in this regard. It is developing a supportive regulatory and business environment while providing a platform for collaboration. Chariot and Total Eren representatives recently attended the 'Accelerating Finance Conference' in Nouakchott, one of the first events to bring such a range of critical stakeholders including the World Bank, the European Investment Bank, development finance institutions and bilateral partners together to discuss this critical issue. Partnerships across the industry will be key to delivering these projects and it was encouraging to see such collective alignment to look to cooperate and unlock the transformative potential of green hydrogen.

Project Nour will be built in multiple phases to spread the financing requirements and reduce the risk over time whilst also responding to the increasing shift in demand for green hydrogen products. Taking a phased approach will both allow revenue generation early in the project and optimise the cost of the capital.

Proof-of-Concept projects

An important part of Chariot's green hydrogen story is our collaboration with Oort Energy. Together we are developing proof-of-concept projects, including with Mohammed VI Polytechnic ("UM6P") in Morocco to test Oort's proprietary polymer electrolyte membrane electrolyser system. Access to electrolysers will be critical to getting green hydrogen projects off the ground, and as the sector develops, demand for these will see exponential growth. It is fascinating to work with Oort to see their ongoing progress within the electrolyser space, their ethos is aligned with ours in that they are focused on making green hydrogen economical and having access to their technology will be an important part of our project supply chain in the future. It is also great to be working on pilot projects and to be building education and capacity around green hydrogen and ammonia production in Morocco alongside UM6P. These pilots are being carried out with a view to develop large scale projects in various jurisdictions including Morocco, as well as looking to achieve the lowest cost of hydrogen possible.

Desalinated water is also an essential component of green hydrogen production, so the capacity to implement competitive desalination solutions powered by renewable energy, a focus for Chariot's water business, will also be a critical part of the feasibility for both Project Nour and other green hydrogen projects.

Our aim is to become one of the world's leading green hydrogen producers so we will continue to seek out these opportunities to both expand and develop our footprint in this sector.

ESG - OUR COMMITMENT TO SUSTAINABLE OPERATIONS

Robust management of environmental, social and governance (ESG) concerns are at the core of what we do and how we work. Chariot seeks to embed a responsible approach to ESG management throughout the business. This statement provides an outline of the policies in place that guide the Group and its employees across its business pillars.

Chariot adopts industry best practice through using the IFC Performance Standards, Equator Principles, and the United Nations' Sustainable Development Goals as benchmarks and guiding principles. Chariot also complies with applicable environmental laws, regulations and standards of the countries in which we are present.

Operating responsibly with a focus on continuous improvement

We acknowledge the potential ESG impacts that our activities may have as we develop our projects. Our team is committed to proactively identifying and assessing issues that are important to our business and to our stakeholders. We manage these and their associated risks and seek to minimise the impacts of our activities as far as possible by putting robust frameworks and policies in place.

In addition, we are continue to build our ESG capacity throughout the organisation, from site level environmental and social specialists to experienced ESG managers, as well as the engagement of expert consultants to provide further advice and support.

Over the past year and in recognition of the importance of stakeholders, external impacts, and risks Chariot has undertaken to update and review our Materiality Assessment in line with the Global Reporting Initiative ("GRI") framework. Greenhouse gas emissions and climate adaptation, resilience and transition emerge as the two most material issues for the company followed closely by safety and security considerations, land access and community benefits. These issues have been linked to the Sustainable Development Goals which will guide project development and implementation in the future.

Focus on Reducing Emissions

Due to the transitional nature of Chariot's energy projects, each offers the opportunity to reduce carbon emissions as a result of their implementation:

- Morocco's energy needs are heavily dependent on coal (which currently makes up 70% of the country's requirements) and gas imports. The domestic gas from Chariot's Anchois project has the potential to directly supply into the national grid and become an important contributor in rebalancing the country's energy mix and reducing emissions going forward.

- Chariot's renewable power projects are bespoke solutions for mining companies, often sited in locations well away from power grids. Accessing wind and solar power for use directly on the mine sites removes the dependence on and need for transportation of carbon heavy fuel and provides a renewable, long term energy supply. Wheeling renewable power through the South African national grid through Etana will also notably reduce the reliance on coal fired power stations opening up a wider customer base including municipalities, industrial and retail sectors.

- Green hydrogen also has the potential to supplement and replace traditional fossil fuels in both power generation and manufacturing processes, leading to a significant reduction in associated emissions of greenhouse gases. It also has the potential to stimulate the development of greener primary industry (such as green ammonia and green steel production) and could lead to significant, positive long term impacts for Mauritania as well as the entire global energy transition.

Two of the UN SDGs are particularly relevant to across our each of our business pillars and underpin our strategy and our values:

Goal 7:
Ensure access to affordable, reliable, sustainable modern energy for all – specifically around increasing the share of renewable energy in the global energy mix, improving energy efficiency and advanced and cleaner fossil-fuel technology…expansion of infrastructure and upgrade technology for supplying modern and sustainable energy services for developing countries

Goal 9:
Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation – … raise industry's share of employment and gross domestic product, in line with national circumstances…upgrade infrastructure and retrofit industries to make them sustainable with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industry.

Alignment to the Sustainable Development Goals

Based on the updated Materiality Assessment and key goals, Chariot's alignment to the UN SDG's have been reviewed accordingly, with key targets for each one selected. This will also guide the reporting framework going forward.

Chariot Limited

Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2022

	Notes	Year ended 31 December 2022 US$000	Year ended 31 December 2021 US$000
Share based payments	26	(4,168)	(760)
Hydrogen and other business development costs		(1,704)	(1,139)
Other administrative expenses		(8,478)	(4,549)
Total operating expenses		**(14,350)**	**(6,448)**
Loss from operations	4	**(14,350)**	**(6,448)**
Finance income	6	74	-
Finance expense	6	(608)	(512)
Loss for the year before taxation		**(14,884)**	**(6,960)**
Tax expense	8	-	-
Loss for the year		**(14,884)**	**(6,960)**
Other comprehensive income:			
Items that will be reclassified subsequently to profit or loss			**-**
Exchange differences on translating foreign operations		**(3)**	**-**
Other comprehensive income for the year, net of tax		**(3)**	**-**
Total comprehensive loss for the year		**(14,887)**	**(6,960)**
Loss for the year attributable to:			
Owners of the parent		**(14,882)**	(6,960)
Non-controlling interest		**(2)**	-
		(14,884)	**(6,960)**
Total comprehensive loss attributable to:			
Owners of the parent		**(14,885)**	(6,960)
Non-controlling interest		**(2)**	-
		(14,887)	**(6,960)**
Loss per Ordinary share attributable to the equity holders of the parent – basic and diluted	9	**US$(0.02)**	**US$(0.01)**

All amounts relate to continuing activities.

The notes form part of these final results.

Chariot Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2022

For the year ended 31 December 2021	Share capital US$000	Share premium US$000	Share based payment reserve US$000	Other components of equity US$000	Retained deficit US$000	Total attributable to equity holders of the parent US$000	Non-controlling interest US$000	Total equity US$000
As at 1 January 2021	**6,549**	**359,609**	**1,447**	**796**	**(352,239)**	**16,162**	**-**	**16,162**
Loss for the year	-	-	-	-	(6,960)	(6,960)	-	(6,960)
Other comprehensive income	-	-	-	-	-	-	-	-
Loss and total comprehensive loss for the year	-	-	-	-	(6,960)	(6,960)	-	(6,960)
Issue of capital	5,147	25,585	-	-	-	30,732	-	30,732
Issue costs	-	(1,876)	-	-	-	(1,876)	-	(1,876)
Share based payments	-	-	760	-	-	760	-	760
Share based deferred consideration	-	-	-	142	-	142	-	142
As at 31 December 2021	**11,696**	**383,318**	**2,207**	**938**	**(359,199)**	**38,960**	**-**	**38,960**

Chariot Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2022 (continued)

For the year ended 31 December 2022	Share capital US$000	Share premium US$000	Share based payment reserve US$000	Other components of equity US$000	Retained deficit US$000	Total attributable to equity holders of the parent US$000	Non-controlling interest US$000	Total equity US$000
As at 1 January 2022	**11,696**	**383,318**	**2,207**	**938**	**(359,199)**	**38,960**	**-**	**38,960**
Loss for the year	-	-	-	-	(14,882)	(14,882)	(2)	(14,884)
Other comprehensive income	-	-	-	(3)	-	(3)	-	(3)
Loss and total comprehensive loss for the year	-	-	-	(3)	(14,882)	(14,885)	(2)	(14,887)
Issue of capital	2,567	32,143	(276)	-	-	34,434	-	34,434
Issue costs	-	(1,618)	-	-	-	(1,618)	-	(1,618)
Share based payments	-	-	4,168	-	-	4,168	-	4,168
As at 31 December 2022	**14,263**	**413,843**	**6,099**	**935**	**(374,081)**	**61,059**	**(2)**	**61,057**

The notes form part of these final results.

Chariot Limited

Consolidated Statement of Financial Position as at 31 December 2022

	Notes	31 December 2022 US$000	31 December 2021 US$000
Non-current assets			
Exploration and evaluation assets	10	51,795	31,750
Goodwill	11	380	380
Investment in power projects	12	448	450
Property, plant and equipment	15	428	84
Right of use asset	19	332	328
Total non-current assets		**53,383**	**32,992**
Current assets			
Trade and other receivables	16	755	1,167
Inventory	17	1,424	1,183
Cash and cash equivalents	18	12,052	19,406
Total current assets		**14,231**	**21,756**
Total assets		**67,614**	**54,748**
Current liabilities			
Trade and other payables	20	6,198	15,358
Lease liability: office lease	19	359	430
Total current liabilities		**6,557**	**15,788**
Total liabilities		**6,557**	**15,788**
Net assets		**61,057**	**38,960**
Capital and reserves attributable to equity holders of the parent			
Share capital	21	14,263	11,696
Share premium		413,843	383,318
Share based payment reserve		6,099	2,207
Other components of equity	22	935	938
Retained deficit		(374,081)	(359,199)
Capital and reserves attributable to equity holders of the parent		**61,059**	**38,960**
Non-controlling interest	**13**	(2)	-
Total equity		**61,057**	**38,960**

The notes form part of these final results.

The financial statements were approved by the Board of Directors and authorised for issue on 20 June 2023.

George Canjar
Chairman

Chariot Limited

Consolidated Cash Flow Statement for the Year Ended 31 December 2022

	Year ended 31 December 2022 US$000	Year ended 31 December 2021 US$000
Operating activities		
Loss for the year before taxation	(14,884)	(6,960)
Adjustments for:		
Finance income	(74)	-
Finance expense	608	512
Depreciation	472	358
Share based payments	4,168	760
Net cash outflow from operating activities before changes in working capital	**(9,710)**	**(5,330)**
Decrease/ (Increase) in trade and other receivables	210	(116)
(Decrease)/ Increase in trade and other payables	(132)	445
Increase in inventories	-	(1,183)
Cash outflow from operating activities	**(9,632)**	**(6,184)**
Net cash outflow from operating activities	**(9,632)**	**(6,184)**
Investing activities		
Finance income	62	-
Payments in respect of property, plant and equipment	(256)	(72)
Payments in respect of exploration assets	(29,243)	(5,301)
Net cash consideration on acquisition	-	(21)
Net cash outflow used in investing activities	**(29,437)**	**(5,394)**
Financing activities		
Issue of ordinary share capital net of fees	32,816	28,175
Payments of lease liabilities	(501)	(419)
Finance expense on lease	(27)	(46)
Net cash from financing activities	**32,288**	**27,710**
Net (decrease)/ increase in cash and cash equivalents in the year	**(6,781)**	**16,132**
Cash and cash equivalents at start of the year	**19,406**	**3,740**
Effect of foreign exchange rate changes on cash and cash equivalents	(573)	(466)
Cash and cash equivalents at end of the year	**12,052**	**19,406**

The notes form part of these final results.

Notes forming part of the financial statements for the year ended 31 December 2022

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 UK Adopted International Accounting Standards.

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.

In the consolidated statement of comprehensive income Other Administrative expenses has been split out to provide further detail of total operating expenses. The comparative figures for 31 December 2021 have been re-presented to reflect this additional disclosure. There is no change to the total operating expenses or loss from operations for those periods.

Going concern

As at 31 December 2022 the Group had cash of US$12.1 million, no debt and minimal licence commitments.

The Group operates as a transitional energy group focused on developing large-scale gas, renewable power, and hydrogen projects in Africa. To date, it has not earned any revenues and so is reliant on various options, including asset partnering, project finance debt, and equity placements to finance the Group's overheads and progress its projects to first revenues.

The Board have reviewed a range of potential cash flow forecasts for the period to 31 December 2024, including reasonable possible downside scenarios. This has included the following assumptions:

Anchois Gas Development:

On the Group's Anchois gas development, offshore Morocco, significant progress has been made since the successful drilling at the start of 2022, with the completion of the engineering and design for the development, ongoing detailed negotiations with Moroccan and other gas offtakers and a consortium of Moroccan and international banks indicating their strong support to provide project debt finance.

On the Anchois asset partnering process, there has been strong industry interest, with 40 companies participating and multiple offers received, and as such management is confident, based on the advanced stage of negotiations, that the partnering process will complete shortly. Based on current negotiations, the Group anticipates that an agreement would see Chariot receive both an upfront cash recovery payment and the financing of the Group's share of the Anchois development costs so the progression towards achieving first gas and delivering cashflows to investors can happen as quickly as possible.

Management's possible downside scenario includes a delay or a failure to complete a partnering transaction. Management is confident that alternate financing options are available, including project finance debt and further investments in the Group to enable progress on the Anchois project to first revenues and to fund ongoing overheads.

Power and Hydrogen Projects:

The renewable and hydrogen projects are at an earlier stage of development and the Group is evaluating project finance and investment at subsidiary levels ahead of any significant capital requirement.

Management's possible downside scenario includes a delay or failure to secure investment at the subsidiary levels to fund its share of future capital expenditure on projects and related overheads. Management is confident that alternate financing options are available ahead of any making any significant capital commitments.

Conclusion

The Directors have reviewed the Group's cash flow forecasts for the next 18-month period to December 2024. The Group's forecasts and projections indicate that the Group's ability to meet its obligations as and when they fall due is dependent on a variety of factors, including the completion of a partnering agreement in respect of the Anchois project. Based on the offers received and the significant historic and ongoing investment on the Anchois project, it is anticipated that the Group will recover a significant portion of past cash expenditure in the second half of 2023. If partnering fails to complete, management is confident that alternate financing options are available to fund ongoing project work and overheads. In the event that neither a partnering agreement or alternative financing is concluded, the Group has sufficient cash to meet its corporate overhead until Q4 2023.

Based on feedback from ongoing financing and partnering discussions, the Directors have made a judgement that the necessary funds to adequately finance the Group's obligations will be secured and that the Group will continue to realise its assets and discharge its liabilities in the normal course of business. Accordingly, the Directors have adopted the going concern basis in preparing the consolidated financial statements, however, the need for additional financing indicates the existence of a material uncertainty, which may cast significant doubt about the Group's ability to continue as a going concern, and, its ability to realise its assets and discharge its liabilities in the normal course of business. These financial statements do not include adjustments that would be required if the Group was unable to continue as a going concern.

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 2022. 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**
Annual Improvements to IFRS: 2018-2020 Cycle	1 January 2022
Conceptual Framework for Financial Reporting (Amendments to IFRS 3)	1 January 2022
IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment – Onerous Contracts – Cost of Fulfilling a Contract)	1 January 2022
IAS 16 Property, Plant and Equipment (Amendment – Proceeds before Intended Use)	1 January 2022

Certain new standards and amendments to standards have been published that are mandatory for the Group's accounting periods beginning after 1 January 2023 or later years to which the Group has decided not to adopt early when early adoption is available.

The implementation of these standards and amendments is expected to have no material effect on the Group's accounting policies. These are:

Standard	**Effective year commencing on or after**
IFRS 17 Insurance Contracts	1 January 2023
IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 (Amendment – Disclosure of Accounting Policies)	1 January 2023

IAS 8 Accounting policies, Changes in Accounting Estimates and Errors (Amendment - Definition of Accounting Estimates)	1 January 2023
IAS 12 Income Taxes (Amendment – Deferred Tax related to Assets and Liabilities arising from a Single Transaction)	1 January 2023
IFRS 16 Leases (Amendment - Liability in a Sale and Leaseback)	1 January 2024
IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-Current)	1 January 2024
IAS 1 Presentation of Financial Statements (Amendment – Non-current Liabilities with Covenants)	1 January 2024

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 19.

Exploration and evaluation assets

The Group accounts for exploration and evaluation costs in accordance with the requirements of IFRS 6 Exploration for and Evaluation of Mineral Resources.

Any costs incurred prior to obtaining the legal rights to explore an area are expensed immediately to the Income Statement. All expenditures relating to the acquisition, exploration and appraisal of oil and gas interests, including an appropriate share of directly attributable overheads, are recognised as exploration and evaluation assets and initially capitalised by reference to appropriate geographic areas. Costs recognised as exploration and evaluation assets are transferred to property, plant and equipment and classified as oil and gas assets when technical feasibility and commercial viability of extracting hydrocarbons is demonstrable.

Costs recognised as exploration and evaluation assets are tested for impairment whenever facts and circumstances suggest that they may be impaired. 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 geographic area 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 geographic area are treated as a credit to the Consolidated Statement of Comprehensive Income.

Investment in power projects

The Group, through its subsidiary Chariot Transitional Power France , holds a 10% investment in the Essakane solar project, Burkina Faso. This investment is recognised at fair value through profit and loss with any movement in fair value subsequently recognised in the Consolidated Statement of Comprehensive Income.

The investment is not held under a 'hold to collect' or 'hold to collect and sell' business model and is therefore categorised as fair value through profit and loss.

Further details on the investment in power projects can be found in note 12.

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.

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 currency of the Company and its subsidiaries is the US dollar, except for Chariot Transitional Power France, Chariot Transitional Power Africa and Chariot Transitional Power South Africa Pty Limited which have the European Euro as their functional currency.

Translation gains or losses resulting from the translation of the financial statements from the functional currency to the presentation currency are recorded as a foreign currency translation reserve in the Statement of Changes in Equity.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost or fair value on acquisition less depreciation and impairment. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling, decommissioning and removing items. The corresponding liability is recognised within provisions. 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.

Assets in the course of construction are carried at cost, less any recognised impairment loss. Depreciation of these assets, on the same basis as other assets, commences when the assets are complete and ready for their intended use.

Fixtures, fittings and office equipment are depreciated using the straight line method over their estimated useful lives over a range of 3 – 5 years.

Energy plant and equipment is depreciated using the straight line method over their estimated useful lives over a range of 5 – 20 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.

Goodwill

Goodwill represents the excess of the cost of a business combination over the Group's interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated impairment losses.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

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.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. Non-controlling interests consist of the non-controlling shareholder's share of changes in equity. The non-controlling interests' share of losses, where applicable, are attributed to the non-controlling interests irrespective of whether the non-controlling shareholders have a binding obligation and are able to make an additional investment to cover the loss.

Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

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 arrangements

The group is a party to a joint arrangement when there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The group classifies its interests in joint arrangements as either:

- Joint ventures: where the group has rights to only the net assets of the joint arrangement;

- Joint operations: where the group has both the rights to assets and obligations for the liabilities of the joint arrangement.

In assessing the classification of interests in joint arrangements, the Group considers:

- The structure of the joint arrangement

- The legal form of joint arrangements structured through a separate vehicle

- The contractual terms of the joint arrangement agreement

- Any other facts and circumstances (including any other contractual arrangements).

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 some of its gas exploration, development and production activities jointly with other companies in this way.

Joint ventures are initially recognised in the consolidated statement of financial position at cost as investments in joint ventures. Subsequently, joint ventures are accounted for using the equity method, where the Group's share of post-acquisition profits and losses and other comprehensive income is recognised in the consolidated statement of profit and loss and other comprehensive income (except for losses in excess of the Group's investment in the joint venture unless there is an obligation to make good those losses). Where there is objective evidence that the investment in a joint venture has been impaired the carrying amount of the investment is tested for impairment in the same way as other non-financial assets. The Group conducts some of its transitional power and green hydrogen activities jointly with other companies in this way.

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 evaluation assets

Expenditure is capitalised as an intangible asset by reference to appropriate geographic area and is assessed for impairment against the criteria set out in IFRS 6 when management assesses that circumstances suggest that the carrying amount may exceed its recoverable value.

The making of this assessment involves judgement concerning the Group's future plans and current technical and legal assessments. In considering whether exploration and evaluation assets are impaired, the Group considers various impairment indicators and whether any of these indicates existence of an impairment. If those indicators are met, a full impairment test is performed. At 31 December 2022 the Group considers that no formal indicators of impairment exist under the framework of IFRS 6.

b) Estimates and assumptions

i. Impairment of goodwill

The assessment the carrying value of goodwill includes a number of judgements and estimates exercised by management including assessment of future discounted cash flows or fair value less costs to sell.

When value in use calculations are undertaken, the Group estimates the expected future cash flows from the asset and chooses a suitable discount rate to calculate the present value of those cash flows. In undertaking these value in use calculations, the Group is required to make use of estimates and assumptions concerning the Group's future plans.

When fair value less costs to sell calculations are undertaken, the Group uses earnings multiples derived from observable market data from recent transactions within the relevant sector.

At 31 December 2022 the Group has not identified an impairment of goodwill.

ii. Fair value of investments in power projects

The assessment of the fair value of the investment in the Essakane power project includes a number of judgements and estimates exercised by management including assessment of future discounted cash flows.

The Group estimates the expected future cash flows from the asset and chooses a suitable discount rate to calculate the present value of those cash flows. In undertaking this value in use calculation, the Group is required to make use of estimates and assumptions concerning the Essakane power project's future production and cash flow.

3 Segmental analysis

The Group has three reportable segments being transitional gas, transitional power 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 2022	**Transitional Gas**	**Transitional Power**	**Corporate**	**Total**
	US$000	**US$000**	**US$000**	**US$000**
Share based payments	-	(15)	(4,153)	(4,168)
Hydrogen and other business development costs	-	-	(1,704)	(1,704)
Administrative expenses	(516)	(2,521)	(5,441)	(8,478)
Finance income	12	-	62	74
Finance expense	-	(70)	(538)	(608)
Loss after taxation	(504)	(2,606)	(11,774)	(14,884)
Additions to non-current assets	20,290	366	21	20,677
Total assets	54,158	1,474	11,982	67,614
Total liabilities	(5,227)	(203)	(1,129)	(6,559)
Net assets	48,931	1,271	10,853	61,055

31 December 2021	**Transitional Gas**	**Transitional Power**	**Corporate**	**Total**
	US$000	**US$000**	**US$000**	**US$000**
Share based payments	-	(85)	(675)	(760)
Hydrogen and other business development costs	-	-	(1,139)	(1,139)
Administrative expenses	(553)	(212)	(3,784)	(4,549)
Finance expense	(31)	(9)	(472)	(512)
Loss after taxation	(584)	(306)	(6,070)	(6,960)
Additions to non-current assets	18,928	-	72	19,000
Total assets	34,687	973	19,088	54,748
Total liabilities	(14,384)	(158)	(1,246)	(15,788)
Net assets	20,303	815	17,842	38,960

4 Loss from operations

	31 December 2022	**31 December 2021**
	US$000	**US$000**
Loss from operations is stated after charging:		
Depreciation of property, plant and equipment	45	31

Depreciation of Right of Use asset	427	327
Share based payments – Long Term Incentive Scheme	3,661	533
Share based payments – Restricted Share Unit Scheme	492	142
Share based payments – deferred consideration	15	85
Share of post-tax losses of joint venture	14	**-**
Auditors' remuneration:		
Fees payable to the Company's Auditors for the audit of the Company's annual accounts	108	84
Audit of the Company's subsidiaries pursuant to legislation	17	17
Total payable	**125**	**101**

5 Employment costs

Employees	**31 December 2022**	**31 December 2021**
	US$000	**US$000**
Wages and salaries	3,863	1,095
Pension costs	413	62
Share based payments	2,141	170
Sub-total	**6,417**	**1,327**
Capitalised to exploration costs	(2,189)	(656)
Total	**4,228**	**671**

Key management personnel	**31 December 2022**	**31 December 2021**
	US$000	**US$000**
Wages, salaries and fees	2,481	1,574
Social security costs	304	199
Pension costs	52	46
Benefits	9	6
Share based payments	2,027	505
Sub-total	**4,873**	**2,330**
Capitalised to exploration costs	(827)	(365)
Total	**4,046**	**1,965**

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 2022**	**31 December 2021**
	US$000	**US$000**
Foreign exchange gain	9	-
Bank interest receivable	65	-
Total	**74**	**-**

Finance expense	**31 December 2022**	**31 December 2021**
	US$000	**US$000**
Foreign exchange loss	581	466
Finance expense on lease	27	46
Total	**608**	**512**

7 Investments

The Company's principal subsidiary undertakings at 31 December 2022 and 31 December 2021, excluding dormant entities, were:

Subsidiary undertaking	**Principal activity**	**Country of incorporation**	**Proportion of ownership at 31 December**	**Non-controlling interest**

					ownership at 31 December	
			2022	2021	2022	2021
Chariot Oil & Gas Investments (Namibia) Limited	Holding company	Guernsey	100%	100%	-	-
Chariot Oil & Gas Investments (Morocco) Limited	Oil and gas exploration	Guernsey	100%	100%	-	-
Chariot Oil and Gas Statistics Limited	Service company	UK	100%	100%	-	-
Enigma Oil & Gas Exploration (Proprietary) Limited[1]	Oil and gas exploration	Namibia	100%	100%	-	-
Chariot Oil & Gas Investments (Brazil) Limited	Holding company	Guernsey	100%	100%	-	-
Chariot Brasil Petroleo e Gas Ltda	Oil and gas exploration	Brazil	100%	100%	-	-
Chariot Oil & Gas Finance (Brazil) Limited[1]	Service company	Guernsey	100%	100%	-	-
Chariot Oil & Gas Holdings (Morocco) Limited	Oil and gas exploration	UK	100%	100%	-	-
Chariot Rissana Limited	Oil and gas exploration	UK	100%	100%	-	-
Chariot Transitional Power Limited	Holding company and renewable energy solutions	UK	100%	100%	-	-
Chariot Transitional Power Holdings Limited [1,2]	Holding company	UK	100%	100%	-	-
Chariot Transitional Power France (formerly AEMP Essakane Solar SAS)[1]	Holding company	France	100%	100%	-	-
Chariot Transitional Power Africa (formerly Africa Energy Management Platform)[1,]	Renewable energy solutions	Mauritius	100%	100%	-	-
Chariot Transitional Power South Africa (Pty) Ltd [1]	Renewable energy solutions	South Africa	100%	50%	-	-
Oasis Water Limited [1,2]	Renewable energy solutions	Mauritius	70%	n/a	30%	-
Quantum Solar Limited [1,2]	Holding company	UK	100%	100%	-	-

[1]Indirect shareholding of the Company.
[2] Incorporated in 2022.

8 Taxation

The Company is tax resident in the UK, however no tax charge arises due to taxable losses for the year (31 December 2021: US$Nil).

No taxation charge arises in Morocco or the group subsidiaries as they have recorded taxable losses for the year.

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 2022	31 December 2021
	US$000	US$000
Tax reconciliation		

Loss on ordinary activities for the year before tax	(14,884)	(6,960)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 19% (31 December 2021: 19%)	(2,828)	(1,322)
Non-deductible expenses	881	212
Deferred tax effect not recognised	1,947	1,110
Total taxation charge	**-**	**-**

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$10.6 million (31 December 2021: US$8.7 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 attributable to the equity holders of the parent is based on a loss of US$14,882,000 (31 December 2021: loss of US$6,960,000) and on 891,215,431 Ordinary shares (31 December 2021: 519,854,783) being the weighted average number of Ordinary shares in issue during the year. Potentially dilutive share awards are detailed in note 26, 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 evaluation assets

	31 December 2022	**31 December 2021**
	US$000	**US$000**
Net book value brought forward	**31,750**	**12,822**
Additions	20,286	18,928
Transferred to inventory	(241)	-
Net book value carried forward	**51,795**	**31,750**

During the year certain wellheads and casing items previously capitalised within exploration and evaluation assets were transferred to inventory as their condition allows them to be reused in future drilling campaigns.

As at 31 December 2022 the net book value of the Moroccan geographic area is US$51.8 million (31 December 2021: US$31.8 million).

11 Goodwill

	Goodwill
	US$000
Gross carrying amount at 31 Dec 2020	**-**
Acquired through business combination	380
Balance at 31 Dec 2021	**380**
Balance at 31 Dec 2022	**380**

The goodwill solely relates to the acquisition of Africa Energy Management Platform in 2021 and reflects the intellectual property, management team and customer relationships acquired through the business combination now contained in the Transitional Power segment.

The Group tests cash-generating units with goodwill annually for impairment, or more frequently if there is an indication that a cash-generating unit to which goodwill has been allocated may be impaired. The recoverable amount of a cash generating unit is the higher of the cash-generating unit's fair value less cost of disposal and its value-in-use.

Fair value less cost of disposal has been used to assess the recoverable amount of the Group's goodwill. Fair value less cost of disposal is determined using earnings multiples derived from observable market data from recent transactions within the solar and wind sector. The fair value measurement is categorised as a level 2 fair value based on the inputs in the valuation techniques used.

12 Investment in power projects

	31 December 2022	31 December 2021
	US$000	**US$000**
		-
Essakane power project	**448**	**450**

The Group's investment in power projects represents its 10% project equity holding in the Essakane power project. The investment is fair valued at each reporting date and has been classified within level 3 of the hierarchy (as defined in IFRS 13) as the investment is not traded and contains unobservable inputs. Due to the nature of the investment, it is always expected to be classified as level 3. There have been no transfers between levels during the year ended 31 December 2022.

Valuations are derived using a discounted cash flow methodology and reflect the annual forecast shareholder distributions resulting from net available cash of the Essakane power project, and a risk adjusted discount rate.

Significant unobservable input	**Sensitivity of the fair value measurement to input**
Discount rate	An increase in the discount rate would decrease the fair value and a decrease in the discount rate would increase the fair value of the asset.
Shareholder distributions	An increase in the forecast shareholder distributions would increase the fair value and a decrease in the forecast shareholder distributions would decrease the fair value of the asset.

The sensitivities above are assumed to be independent of each other. There were no changes to valuation techniques in the period.

13 Non-controlling interests

Oasis Water Limited, a 70% owned subsidiary of the Group, has immaterial non-controlling interests (NCI). Summarised financial information in relation to Oasis Water Limited, before intra-group eliminations, is presented below together with amounts attributable to NCI:

For the period ended 31 December		**31 December 2022**
		US$000
Administrative expenses		(6)
Loss before and after tax		**(6)**
Loss allocated to NCI		**(2)**
Other comprehensive income allocated to NCI		**-**
Total comprehensive income allocated to NCI		**(2)**
Cash inflows from operating activities		216
Cash outflows from investing activities		(215)
Net cash inflows		**1**
As at 31 December		
Assets		
Property plant and equipment		348
Trade and other receivables		1
Cash and cash equivalents		1
Liabilities		
Trade and other payables		(355)
Accumulated non-controlling interests		**(5)**

14 Joint Ventures

The Group has a 24.99% interest in, Etana Energy (Pty) Limited, which is a separate structured vehicle incorporated and operating in South Africa. The primary activity of Etana Energy (Pty) Limited is to hold an electricity trading licence. The contractual arrangement provides the group with only the rights to the net assets of the joint arrangement, with the rights to the assets and obligation for liabilities of the joint arrangement resting primarily with Etana Energy (Pty) Limited. Under IFRS 11 this joint arrangement is classified as a joint venture and has been included in the consolidated financial statements using the equity method.

Summarised financial information

Period ended 31 December	**2022**
	US$000
Loss from continuing operations	(57)
Other comprehensive income	-
Total comprehensive income (100%)	**(57)**
Group's share of comprehensive income (24.99%)	**(14)**
Investments in equity-accounted joint ventures	
Opening balance	-
Shareholder loan to Etana in the year	19
Group's share of comprehensive income for the year (included in administrative expenses)	(14)
Closing balance	**5**

15 Property, plant and equipment

	Fixtures, fittings and equipment	**Assets in the course of construction**	**Total**
	US$000	**US$000**	**US$000**
Cost			
At 1 January 2021	1,356	**-**	1,356
Additions	72	-	72
At 31 December 2021	**1,428**	-	**1,428**
At 1 January 2022	**1,428**	-	**1,428**
Additions	40	349	389
At 31 December 2022	**1,468**	**349**	**1,817**
Depreciation			
At 1 January 2021	1,313	-	1,313
Charge	31	-	31
At 31 December 2021	**1,344**	-	**1,344**
At 1 January 2022	**1,344**	-	**1,344**
Charge	45	-	45
At 31 December 2022	**1,389**	**-**	**1,389**
Net book value 1 January 2021	**43**	**-**	**43**
Net book value 31 December 2021	**84**	**-**	**84**
Net book value 31 December 2022	**79**	**349**	**428**

The net book value of assets under construction relates to the construction of a desalination plant in Djibouti by a subsidiary of the group, Oasis Water Limited whose results are reported within the Transitional Power segment. The cost of the plant will be depreciated once the construction is complete and available for use. The estimated cost to completion of the plant to which the Group is contractually committed, is US$246,000.

16 Trade and other receivables

	31 December 2022	31 December 2021
	US$000	US$000
Other receivables and prepayments	755	1,167

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

17 Inventory

	31 December 2022	31 December 2021
	US$000	US$000
Wellheads and casing	1,424	1,183

Inventory is held and retained for use in future drilling campaigns.

18 Cash and cash equivalents

	31 December 2022	31 December 2021
Analysis by currency	US$000	US$000
US Dollar	5,475	15,567
Euro	209	135
Sterling	6,254	3,130
Moroccan Dirham	51	538
Other	63	36
	12,052	**19,406**

As at 31 December 2022 and 31 December 2021 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 2022, the cash balance of US$12.1 million (31 December 2021: US$19.4 million) contains the following cash deposits that are secured against bank guarantees given in respect of exploration work to be carried out:

	31 December 2022	31 December 2021
	US$000	US$000
Moroccan licences	750	5,350
	750	**5,350**

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

19 Leases

The lease relates to the UK office. The group renegotiated the contractual terms of the lease during the year which increased the lease term by one year. The lease liability was remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.

Right-of-use asset:

	31 December 2022	31 December 2021
	US$000	US$000
Brought forward	328	655
Effect of modification to lease terms	431	-
Depreciation	(427)	(327)
Carried forward	**332**	**328**

Lease liability:

	31 December 2022	31 December 2021
	US$000	US$000
Current	359	430
Non-current	-	-
Total lease liability	**359**	**430**

The interest expense on lease liabilities during the year to 31 December 2022 was US$27,000 (2021: US$46,000) and the total cash outflow was US$501,000 (2021: US$419,000).

The maturity analysis of the lease liability at 31 December 2022 is as follows:

	31 December 2022	31 December 2021
	US$000	US$000
Maturity analysis – contractual undiscounted cash flows		
Less than one year	372	453
Total undiscounted lease liabilities	**372**	**453**
Effect of interest	(13)	(23)
Total lease liability	**359**	**430**

20 Trade and other payables

	31 December 2022	31 December 2021
	US$000	US$000
Trade payables	2,264	9,470
Accruals	3,934	5,888
	6,198	**15,358**

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

21 Share capital

	Allotted, called up and fully paid			
	31 December 2022	31 December 2022	31 December 2021	31 December 2021
	Number	US$000	Number	US$000
Ordinary shares of 1p each[1]	**959,841,091**	**14,263**	**759,587,023**	**11,696**

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
31 December 2020			**388,367,946**
25 June 2021	Issue of initial consideration shares for acquisition of AEMP	0.07	9,196,926
25 June 2021	Issue of shares at £0.055 in Placing, Subscription, Open Offer and fees	0.08	238,512,856
19 July 2021	Issue of shares at £0.055 in Placing, Subscription, Open Offer and fees	0.08	645,351
15 December 2021	Issue of shares at £0.07 in Placing, Subscription and fees	0.09	101,639,842

22 December 2021	Issue of shares at £0.07 in Open Offer	0.09	21,224,102
31 December 2021			**759,587,023**
31 January 2022	Issue of shares at £0.055 relating to underwriting commitment	0.07	33,742,396
3 March 2022	Issue of shares at £0.055 relating to underwriting commitment	0.07	33,742,396
13 June 2022	Issue of shares at £0.18 in Placing, Subscription, Open Offer and fees	0.22	130,930,606
10 August 2022	Issue of share award	0.08	833,333
10 August 2022	Issue of share award	0.30	18,533
10 August 2022	Issue of share award	0.30	212,000
10 August 2022	Issue of share award	0.10	72,463
10 August 2022	Issue of share award	0.16	109,795
15 September 2022	Issue of share award	0.50	70,098
15 September 2022	Issue of share award	0.12	76,313
15 September 2022	Issue of share award	0.20	76,313
15 September 2022	Issue of share award	0.05	119,438
15 September 2022	Issue of share award	0.23	137,050
21 October 2022	Issue of share award	0.12	13,750
21 October 2022	Issue of share award	0.20	11,250
21 October 2022	Issue of share award	0.19	9,343
12 December 2022	Issue of share award	0.20	16,250
12 December 2022	Issue of share award	0.05	43,750
12 December 2022	Issue of share award	0.21	18,991
31 December 2022			**959,841,091**

22 Other components of equity

The details of other components of equity are as follows:

	Contributed equity US$000	**Shares to be issued reserve US$000**	**Foreign exchange reserve US$000**	**Total US$000**
As at 1 January 2022	**796**	**142**	**-**	**938**
Loss for the year	-	-	-	-
Other comprehensive income	-	-	(3)	(3)
Loss and total comprehensive loss for the year	-	-	(3)	(3)
As at 31 December 2022	**796**	**142**	**(3)**	**935**

	Contributed equity US$000	**Shares to be issued reserve US$000**	**Foreign exchange reserve US$000**	**Total US$000**

As at 1 January 2021	**796**	**-**	**-**	**796**
Loss for the year	-	-	-	-
Other comprehensive income	-	-	-	-
Loss and total comprehensive loss for the year	-	-	-	-
Share based deferred consideration	-	142	-	142
As at 31 December 2021	**796**	**142**	**-**	**938**

23 Reserves

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

Reserve	Description and purpose
Share capital	Amount subscribed for share capital at nominal value.
Share premium	Amount subscribed for share capital in excess of nominal value.
Share based payments reserve	Amount representing the cumulative charge recognised under IFRS2 in respect of share option, LTIP and RSU schemes.
Contributed equity	Amount representing equity contributed by the shareholders
Shares to be issued reserve	Deferred consideration on acquisition recognised in equity
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.

24 Related party transactions

Key management personnel comprises the Directors and details of their remuneration and shareholding reflecting participation in recent equity placements are set out in note 5 and the Directors' Remuneration Report.

Magna Capital LDA (of which Adonis Pouroulis, CEO, has a substantial interest), underwrote the June 2021 equity fundraising to ensure the total fundraising equated to approximately US$23 million. Accordingly, 33,742,396 new Ordinary shares were admitted on 31 January 2022 and 33,742,396 new Ordinary shares were admitted on 3 March 2022 and the Company received proceeds totalling US$5 million. The underwriting commitment constitutes a related party transaction.

Kinsella Consulting Limited, a company of which Adonis Pouroulis is a Director, incurred costs on behalf of Chariot Limited for which it was reimbursed during the year of US$18,452 (31 December 2021: US$8,813). The amount outstanding as at 31 December 2022 was US$Nil (31 December 2021: US$Nil).

Together with Total Eren, the Group entered into a Memorandum of Understanding with Karo Holdings Limited to work together on the development, financing, construction, and operation of a solar photovoltaic project for the Karo Platinum Project, in Zimbabwe. Adonis Pouroulis, CEO, has a substantial interest in the total voting rights in Karo Mining Holdings Limited. No transactions have occurred between Karo Holdings Limited and the Group during the period.

Together with Total Eren, the Group entered into a Memorandum of Understanding with Tharisa plc to work together on the development, financing, construction, and operation of a solar photovoltaic project for the Tharisa mine, in South Africa. Adonis Pouroulis, CEO, has a substantial interest in the total voting rights in Tharisa plc. No transactions have occurred between Tharisa plc and the Group during the period.

25 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 2022, no trading in financial instruments was undertaken (31 December 2021: 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 Sterling, Euro and Moroccan Dirham 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$12.1 million (31 December 2021: US$19.4 million) as detailed in note 18.

Other than the non-US Dollar cash balances described in note 18, 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$658,000 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 2021: US$380,000).

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. For further details of the Group's position, please refer to the going concern paragraph in note 2 of these accounts.

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.

For further details of the Group's position, please refer to the going concern paragraph in note 2 of these accounts.

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.

26 Share based payments

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 2022 of US$3,661,000 (31 December 2021: US$533,000).

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

	31 December 2022	31 December 2021
	Number of awards	Number of awards
Outstanding at beginning of the year	**28,242,865**	**7,401,780**
Granted during the year	40,888,091	20,841,085
Shares issued for no consideration during the year	(592,546)	-
Outstanding at the end of the year	**68,538,410**	**28,242,865**
Exercisable at the end of the year	**14,754,985**	**7,379,562**

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 2022 of US$492,000 (31 December 2021: US$142,000).

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

	31 December 2022	31 December 2021
	Number of awards	Number of awards
Outstanding at beginning of the year	**8,755,156**	**2,839,875**
Granted during the year	3,528,248	5,915,281
Shares issued for no consideration during the year	(1,246,124)	
Outstanding at the end of the year	**11,037,280**	**8,755,156**
Exercisable at the end of the year	**4,251,485**	**2,623,568**

Post-acquisition share-based payment charge

As at 31 December 2022 contingent payments representing a maximum of 3,964,192 new ordinary shares are payable to key members of the Chariot Transitional Power Africa team regarding the acquisition of the business of Africa Energy Management Platform in June 2021. These payments are dependent on the retention of the key team members and certain project pipeline targets being met and have been recognised as share based payments in the Consolidated Statement of Comprehensive Income over the retention period. The Group recognised a charge of US$15,000 in the year to 31 December 2022 (31 December 2021: $85,000). On 17 April 2023 a portion of the contingent consideration was paid which was settled through the issue of 1,585,678 new ordinary shares.

27 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 2022, based upon independent legal and tax opinions, the Group has no withholding tax liability (31 December 2021: 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.

28 Events after the balance sheet date

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

Acquisition of Renewable Water Production Business

On 27 January 2023 Chariot Limited entered into a sales agreement for the acquisition of the business and assets of an independent water producer, ENEO Water PTE Limited, an African company focused on delivering clean water solutions using renewable energy.

Consideration for the acquisition shall be payable in Chariot Ordinary Shares with an initial US$0.5 million paid on completion of the sales agreement (representing 2,267,694 shares issued on 24 February 2023) and a further deferred consideration of up to US$0.5 million payable (representing a maximum of 2,267,694 shares) on the achievement of financial close on further projects.