



7 December 2023

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

## **Partnership Agreements Signed with Energean plc on Moroccan Offshore Licences**

*Focused on delivery and expansion of Anchois gas development project*

Chariot Limited (AIM: CHAR), the Africa focused transitional energy group, is pleased to announce that it has signed Partnership Agreements with Energean plc group ("Energean") (LON: ENOG), on the Lixus Offshore licence ("Lixus"), where the Anchois gas development project ("Anchois") is located, and on the Rissana Offshore licence ("Rissana") in Morocco.

### **Partnering Rationale:**

- Provides funding for both Chariot and the project through upfront consideration, deferred consideration and potentially a full carry to first gas, with Chariot retaining a material stake in the project
- Secures an experienced operator for the development of Anchois - Energean is a FTSE 250 company with a proven track record in successfully developing large offshore gas projects
- Accelerates growth from the portfolio, with the potential to significantly upscale the development and target further exploration prospectivity in the Lixus and Rissana licences

### **Project Development:**

- Leveraging their combined expertise to co-develop Anchois, the parties are aligned on the next steps for the project development, including:
  - Drill a further well, in the east of the Anchois field and conduct a gas flow test in 2024, with rig contract negotiations advanced. Multi-objective well:
    - Evaluate undrilled low-risk deeper sands, to potentially materially increase the resource base for a development above 1 Tcf
    - Optimise development scheme through a production flow test
    - Provide a future producer well
  - Expansion of the existing offshore development plan, to accommodate potentially significantly higher production
  - Finalise ongoing gas sales negotiations with focus on meeting Moroccan energy needs
- Progress exploration together across Lixus and Rissana, including a 2024 seismic campaign

## Key Deal Terms:

- Energean to acquire 45% and 37.5% interests in the Lixus and Rissana licences respectively, and take operatorship of both licences
- Chariot will retain a 30% and 37.5% interest in Lixus and Rissana respectively, with ONHYM maintaining a 25% stake in each licence
- Chariot will receive:
  - US\$10 million payable on completion of the transaction
  - US\$15 million payable on Final Investment Decision (“FID”)
  - US\$85 million gross carry including:
    - All Lixus costs up to FID, including the additional Anchois well with a gas flow test
    - Planned Rissana seismic acquisition costs separately capped at US\$7 million
- Following completion of the Anchois well, Energean will have the right to acquire a further 10% of Chariot’s equity in the Lixus licence for:
  - US\$850 million gross development carry to first gas (including the US\$85m gross carry)
  - US\$50 million 5-year zero coupon convertible loan note with a strike price of £20 adjusted down for dividends or issuance of three million Energean shares, at Chariot’s option on FID
  - 7% royalty payment on Energean’s gas production revenues in excess of a base hurdle on the realised gas price (post transportation costs)
- Energean’s carry of Chariot’s costs is non-recourse, and has a coupon of 7% over the one year Secured Overnight Financing Rate (SOFR), with the carry including interest repayable from 50% of Chariot’s future net sales revenues from the Lixus licence
- Completion of the transaction is subject to standard Moroccan regulatory approvals

**Dr Leila Benali, Minister of Energy Transition and Sustainable Development commented:** *“This agreement is pivotal for the wider acreage offshore Morocco, on its Atlantic coast, a key energy asset for the Kingdom. We welcome Energean on these licences as the important investments will contribute greatly to the monetisation of the country’s resources and to our ambitious energy strategy.”*

**Mrs Amina Benkhadra, General Director Office National des Hydrocarbures et des Mines commented:** *“I would like to congratulate both parties on signing this agreement. The discovery and extensive work to date has set an excellent foundation on which the project can be developed and this partnership will now be instrumental in financing and taking it through the next phase. We look forward to working alongside Energean and Chariot in bringing the project to first gas.”*

**Mathios Rigas, CEO of Energean commented:** *“This is an exciting step in the next stage of our development, one that can only enhance our position as the pre-eminent independent natural gas producer listed in London. These assets are particularly attractive as we understand the core geological, commercial and political drivers of the region, we have a track record in developing material gas resources prioritised for the domestic market and they are a complementary fit with our broader portfolio, not least the potential for surplus supply to other markets. We look forward to working with our partners Chariot and ONHYM, and developing an outstanding resource for the benefit of all parties, including Morocco and its people.”*

**Adonis Pouroulis, CEO of Chariot commented:** “In Energean, we have secured a partner with a proven track record of rapidly building and delivering this kind of offshore development. Energean also shares our view that Anchois and its surrounding acreage offers significant upside potential and we are aligned with our plans moving forward. The new partnership is a key step in bringing the development of the Anchois field to reality and we are looking forward to continuing the extensive work undertaken so far to reach Final Investment Decision.”

We are excited about the next phase of drilling which has the potential to both unlock significant additional resources and upsize the production profile. It is intended that this well will be used as a producer well when development commences. We retain a material stake in this basin opening opportunity where both parties are keen to optimise the project’s fundamentals, enable expansion and undertake further exploration. We also look forward to drilling on our Loukos Onshore licence which is anticipated to commence in early 2024.”

### **Investor Webcast**

Chariot will be hosting a webcast for investors at 10.00am GMT today. Investors are able to register for the event ahead of time and can do so by clicking on the below link. There will be a Q&A session at the end and participants will be able to submit their questions during the webcast.

<https://stream.brrmedia.co.uk/broadcast/65705f5f85e1630925165801>

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 Energean**

Established in 2007, Energean is a London Premium Listed FTSE 250 E&P company with operations in eight countries across the Mediterranean and UK North Sea. Since IPO, Energean has grown to become the leading independent, gas-focused E&P company in the Eastern Mediterranean with a strong production and development growth profile. The Company explores and invests in new ideas, concepts and solutions to produce and develop energy efficiently, at low cost and with a low carbon footprint.

[www.energean.com](http://www.energean.com)

#### **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 high value, low risk gas development projects in Morocco, 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 TEH2 (80% owned by TotalEnergies, 20% by the EREN Group) and the Government of Mauritania on the potential development of a 10GW green hydrogen project, Project Nour in Mauritania, and are progressing pilot projects in Morocco.

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

<https://chariotenergygroup.com>