



**CHARIOT RELEASES HIGHLIGHTS FROM MINA JUSTA SCOPING STUDY:
NPV US\$364 MILLION WITH IRR OF 28%**

- *Annual Production: up to 260 M lbs of copper*
- *Potential add-on projects could add US\$107 million to NPV*
- *Feasibility study progressing well*
- *Drilling on new exploration targets to commence Q3*

Toronto, May 3, 2006 – Chariot Resources Limited (“Chariot”) (TSX:CHD) is pleased to announce highlights from the Scoping Study by GRD Minproc of the Mina Justa project located at the Company’s 70% owned Marcona Copper Project in Peru (see Attachment 1, note all dollars are US dollars). A 43-101 compliant Independent Technical report will be filed on SEDAR within 45 days

As noted in the Scoping Study the key financial performance indicators for the Mina Justa project are:

Internal Rate of Return	28 %
Net Present Value	\$ 364 million
Capital Payback	4.6 years
Cumulative Net Cash Flow	\$ 892 million
Initial Capital	\$ 236 million

The Net Present Value of the Mina Justa project has been calculated from a 100% equity, pre-tax cash-flow analysis using a copper price of \$1.20/lb and a discount rate of 8%. Other prices used are silver at \$4.50/oz and magnetite at \$10.50/t concentrate.

The project is very sensitive to changes in the copper price. A 10% increase in the copper price to \$1.32/lb increases the NPV by 35% to \$492 million. There is lesser sensitivity to changes in operating costs: a 10% increase reduces the NPV by 21%. Changes in capital have limited impact on the project: a 10% increase reduces the NPV by 5.8%.

Readers should note the following:

- the preliminary assessments of Mina Justa and the three “key upside projects” mentioned above are preliminary in nature and include Inferred Mineral Resources which do not have demonstrated economic viability and are considered

too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves;

- there can be no assurance that the preliminary assessments will be realized;
- changes in the assumptions underlying the assessments could result in a material adverse change to the net present value (NPV) calculated by Chariot;
- the projections, forecasts and estimates mentioned above (including those with respect to the net present values) constitute forward-looking statements and readers are urged not to place undue reliance on such forward-looking statements.

“The Scoping Study has confirmed the potential economic value of Mina Justa as a robust starter project with a manageable initial capital cost,” said Ulli Rath, Chariot’s President & CEO. “Furthermore, I am confident that we can improve upon the basic economic parameters with a number of add-on projects that will be further reviewed during the full feasibility study which is already underway and with the results from our 2006 drilling program which have not been included in the project resource model”

Other notable highlights from the Scoping Study are:

- Total ore processed is 142 million tonnes at 0.82% Cu which supports a 13.5 year life for Mina Justa. Production could commence in the first half of 2009.
- Initial production is copper cathode from heap leaching. In year five, copper in concentrate production starts. The heap leach circuit produces 60,000 tonnes of copper cathode per year and the concentrator produces up to 58,200 tonnes per year of copper in concentrates.
- Total production is 945,677 tonnes copper, plus 7.0 million ounces of silver, and 4.2 million tonnes of iron concentrate.
- Initial or start-up capital is estimated to be \$236 million which includes \$178 million for the leach operation (that includes an engineering contingency of US\$ 28 million) and \$58 million of pre-production costs.
- The weighted average life of mine cash operating cost is estimated to be \$0.69 per pound of copper produced. Of this, site operating costs are estimated to be \$0.50 per pound, and off-site costs \$0.19 per pound. These costs do not include by-product credits.
- Copper recovery for heap leaching is estimated to be 82% of total copper in the oxide zone and 80% acid soluble copper in the mixed zone; and copper recovery at the concentrator is estimated to be 93% of total copper in the sulphide zone and 90% of cyanide soluble and residual copper in the mixed zone.

Project Upside

Upside to the Mina Justa project exists in the form of a number of add-on projects. Together, these projects could increase the NPV of Mina Justa by \$ 107 million. Key upside projects are dump leaching, satellite oxide pits such as Magnetite Manto, and underground mining of copper sulphide mineralization.

Full Feasibility Study

The Scoping Study also contains a number of recommendations for the completion of a Full Feasibility Study for the Mina Justa project which commenced earlier this year.

- Infill drilling began in January 2006 and to-date over 30,000 metres have been drilled.
- Work is almost complete on the development of a new geological model that will be used in the calculation of a new classified resource for Mina Justa that incorporates the results from the 2006 drill campaign.
- A second phase of metallurgical testing has been initiated on material collected from the 2006 drill campaign.
- The preparation of an Environmental Impact Study has commenced.
- Preparations are underway to tender a contract for geotechnical work.

GRD Minproc estimates that the formal Feasibility Study, including additional engineering and cost estimation, can be finalised within 6 months of resource modelling and process test-work being completed.

The Scoping Study has been compiled based on information from a number of parties, as identified in the Scoping Study. Ross Oliver, Manager Mining & Geology, GRD Minproc and Dan Greig, Principal Geologist, GRD Minproc have confirmed that the information contained in this release is consistent with the Scoping Study. Both Ross Oliver and Dan Greig are “qualified persons” as defined in National Instrument 43-101.

A telephone conference call has been scheduled for **Wednesday May 3, 2006, 11:00 am ET**

To join the call dial: toll free in North America 1-888-789-9572
International / Local +1-416-695-7806
Passcode: 62119

To access the replay: toll free in North America 1-888-509-0081
International / local +1-416-695-5275
Passcode: 62119 (Expiry date: May 17, 2006)

Forward Looking Statements. This release and the documents attached hereto contain certain forward-looking statements. These statements relate to future events or the Corporation's future performance and reflect expectations and assumptions regarding the growth, results of operations, performance, prospects and opportunities of the Corporation. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results or performance of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including but not limited to: uncertainties and costs relating to exploration and development activities; uncertainties related to feasibility and other studies that provide estimates or expected or anticipated economic returns from a mining project; uncertainties related to the accuracy of mineral reserve and mineral resource estimates; changes in, and the effects of, the laws, regulations and government policies affecting mining operations; general business, economic, competitive, political and social uncertainties; future prices of copper; fluctuations in currency exchange rates (principally C\$/U.S.\$ and Peruvian Nuevo Sol/C\$ and the Peruvian Nuevo Sol/U.S.\$ exchange rates); and strikes, work stoppages or other labour difficulties, environmental hazards, industrial accidents or other events or occurrences that interrupt operations. A discussion of these and other factors that may affect the Corporation's actual results, performance, achievements or financial position is contained under "Risk Factors" in the Corporation's Annual Information Form. Although the Corporation has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those described in forward-looking statements, there may be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that actual events, performance or results will be consistent with these forward-looking statements and accordingly readers should not place undue reliance on forward-looking statements. The Corporation assumes no obligation to update or revise forward-looking statements to reflect new events or circumstances, except as required by law.

Additional details about Chariot and the scoping study will be available at the Company's website, www.chariotresources.com.

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Attachment 1 – May 3, 2006 Press Release

Highlights From The Scoping Study Of The Mina Justa Project

(all \$ are US dollars)

The focus of the Scoping Study prepared by GRD Minproc is on technical aspects of the Mina Justa project, based on a new geological and resource model compiled following in-fill and extension drilling, with particular emphasis on evaluating a number of process options and developing new capital and operating costs. The purpose of the Scoping Study is threefold:

- Establish the potential economic value of the project
- Identify the optimum flow-sheet, and
- Define the work program to complete a definitive feasibility study.

1) **Global Classified Resources:** The Mina Justa deposit is an Fe-oxide Cu (Ag, Au) type deposit that forms part of a large iron-oxide rich hydrothermal system associated with the Marcona iron deposits mined by Shougang a few kilometres to the south and west. Snowden Mining Industry Consultants Inc., in a 43-101 technical report dated October 2005 and filed on SEDAR calculated a global classified resource for Mina Justa within a 0.2% Cu mineralized envelope as follows:

	M Tonnes	CuT (%)	Ag (g/t)	Au (g/t)
Indicated	132.0	0.74	6.1	0.020
Inferred	279.0	0.57	2.9	0.039

2) **Mineable Resources:** GRD Minproc has developed life-of-mine open pit inventories based on the above global classified resource :

Total ore	209 Mt at 0.63% Cu at a 0.2% Cu cut-off
Total waste	284 Mt
Overall stripping ratio	1.4:1

The total ore inventory above includes 67 million tonnes of oxides below a 0.3% cutoff which are considered as a source of feed for dump leaching but not for heap leaching. The dump leach ore is treated as waste in the economic evaluation of Mina Justa which results in the following life-of-mine open pit inventories:

Total ore processed	142 Mt at 0.82% Cu at a 0.3% Cu cut-off
Total waste	352 Mt
Overall stripping ratio	2.5:1

The ore inventory can be further subdivided into heap leach ore and flotation ore:

Heap leach ore	121 Mt at 0.62% Cu
Flotation ore	21 Mt at 2.00% Cu

Of the 142 Mt ore, 40% are classified in the resource model as Indicated and the remainder as Inferred (**see note on page 5 on use of “Inferred” material**).

3) **Operating Configuration:** The current open pit inventory supports a 13.5 year life for Mina Justa. Initial production is copper cathode from heap leaching. In year 5, copper in concentrate production starts. The heap leach circuit produces for just over 11 years and concentrates are produced for 9 years. Total production is 945,677 tonnes copper; plus 7.0 million ounces of silver, and 4.2 million tonnes of iron (magnetite) concentrate:

Heap leach circuit	12.0 M tonnes ore/year yielding up to 60,000 t/a copper cathode for as long as possible (total production 582,333 tonnes copper)
Flotation circuit	2.5 M tonnes ore/year yielding up to 58,200 t/a of copper in concentrates (total production 363,344 tonnes copper)

The process design incorporates tertiary crushing; agglomeration, single use leach pads, SX/EW, conventional flotation with circuit to produce magnetite concentrates and conventional tailings disposal. Pit optimization was undertaken using a Cu price of \$1.00/lb.

4) **Capital Costs:**

Total capital costs over the life of the project are estimated to be \$ 330.0M:

Total initial capital	\$ 235.5 million; including
- Leach Capital	\$ 177.6 million (incl 20% eng. contingency), plus
- Pre-production costs	\$ 57.9 million
Total remaining capital	\$ 94.5 million; including
- Concentrator	\$ 49.8 million, plus
- Sustaining & closure	\$ 44.7 million

5) **Operating Costs:** The weighted average life-of-mine cash cost, excluding by-product credits, is \$0.69/lb copper produced; of which \$0.50/lb are costs at the site and \$0.19/lb are off-site costs. The principal components of these costs are:

Mine operating cost	\$ 1.22/t material (range \$1.09/t – 1.34/t;contractor)
Heap leaching	\$ 2.45/t ore (includes normal maintenance)
Flotation	\$ 4.54/t ore (includes normal maintenance)
Administration	\$ 0.32/t ore processed
Transport & treatment costs	\$ 0.38/lb from flotation circuit

6) **Metallurgical Performance:** Based on preliminary metallurgical test work these are the key performance criteria. Additional testing is required to confirm them.

Heap Leaching:

Crush size	P (80) = 8 mm
Copper recovery	Oxide 82% of total copper; and 80% of acid soluble Cu in Mixed Zone

Leach cycle	110 to 180 days
Acid consumption	15 kg/t

Flotation:

Grind size	P(80)= 150 um mill feed
Copper recovery	93% of total copper in Sulphide zone; and 90% of cyanide soluble and residual Cu in Mixed zone
Concentrate grades	35% for bornite-chalcocite ore; 27% for chalcopyrite ore; Design capacity is 150,000 tpa concentrates.

7) **Infrastructure:** Mina Justa is favourably located in coastal southern Peru close to the Pan American highway. Other advantages include low altitude, arid climate, nearby port and power, lack of population on the property and the presence of labour within nearby communities.

Water supply Initial requirement of up to 2.7 GL/a can likely be met by pipeline from aquifer 25 km away.

Port The Base Case assumes access can be negotiated with Shougang to full equipped nearby port of San Nicholas. This port, however, has potential long-term environmental liabilities.

The less developed nearby port of San Juan de Marcona is currently being evaluated as an alternative. There are also several other fully equipped ports within longer trucking distances of Mina Justa that could potentially be used.

Power A switchyard and power line will bring power 10 km from the National Grid to the site where a substation will step down voltage to 33KV. Initial power requirement will be 28MW rising to 38MW when the concentrator is commissioned. Total power usage will be up to 237MkWh/a.

8) **Upside Potential:** Upside to the Mina Justa project exists in the form of a number of projects. Together, these projects could add \$ 106.7 million to the Net present Value of the Mina Justa project. Drill results from the 2006 campaign could contribute to higher grades in the new resource model. Key upside projects are:

Dump Leaching Potential dump leach material of 67 Mt at 0.22% Cu removed from the Main Pit could yield an additional 80,000 tonnes of copper cathode over 10 years. This project could add \$66 million to the NPV of the Mina Justa.

Dump Leaching (cont.)	Of the 67Mt dump leach material, 36% are classified in the resource model as Indicated and the remainder as Inferred (see note on page 5 on use of “Inferred” material)														
Underground Mining	There is potential for an copper sulphide underground operation at the SE Extension zone and the Cu40 zone. The mineralization could be accessed via a ramp from the Main Pit. Chariot believes that current drilling indicates that potential ore inventory could be approximately 0 - 7 MT at 2.00 – 4.00% Cu. Chariot believes an underground operation could add \$ 40 million to the NPV of Mina Justa (see note on page 5 on “exploration targets”)														
Satellite Oxide Pits	Current drilling at the nearby Magnetite Manto area indicates the potential for 0- 5.0Mt at 0.5% - 1.50% Cu as copper oxide. This potential ore inventory could be mined in the first year of operation thereby reducing the stripping ratio and improving the initial grade of the oxide material going to heap leach. Chariot believes that Magnetite Manto could increase the NPV of Mina Justa by \$15 million. (see note on page 5 on “exploration targets”)														
2006 Drill Results	The resource model used in the Scoping Study is based on drill results to the end of 2005. Since January 2006 over 30,000 metres have been drilled at Mina Justa.														
Northern Oxide Zone	At the northern end of the Main Pit the 2006 drilling program has outlined significant new high grade oxide intercepts which will most likely contribute to increasing the grade and tonnage of this part of the Main Pit. Recent high grade results include the following; <table border="0" style="margin-left: 40px;"> <tr> <td>MJV-06-005</td> <td>12 m @ 5.09% Cu from 54-66 metres</td> </tr> <tr> <td></td> <td>12 m @ 3.20% Cu from 82-94 metres</td> </tr> <tr> <td></td> <td>6 m @ 2.29% Cu from 110-116 metres</td> </tr> <tr> <td></td> <td>6 m @ 0.95% Cu from 120-126 metres</td> </tr> <tr> <td></td> <td>24 m @ 0.91% Cu from 136-160 metres</td> </tr> <tr> <td>MJV-06-006</td> <td>26 m @ 1.80% Cu from 40-66 metres</td> </tr> <tr> <td></td> <td>40 m @ 0.98% Cu from 92-132 metres</td> </tr> </table>	MJV-06-005	12 m @ 5.09% Cu from 54-66 metres		12 m @ 3.20% Cu from 82-94 metres		6 m @ 2.29% Cu from 110-116 metres		6 m @ 0.95% Cu from 120-126 metres		24 m @ 0.91% Cu from 136-160 metres	MJV-06-006	26 m @ 1.80% Cu from 40-66 metres		40 m @ 0.98% Cu from 92-132 metres
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HG Sulphide Zone	The 2006 infill drilling has continued to locate high grade copper sulphide mineralization. Higher grades encountered during the program will most likely improve the overall grade of this zone.														

HG Sulphide Zone (cont)

MJV-06-104 100 m @ 5.35% Cu from 210-310 metres, including 42 m @ 10.54 % Cu from 266-308 metres (at 1.0% COG)

MJV-06-107 98 m @ 4.07% Cu from 226-324 metres, including 44 m @ 7.10% Cu from 280-324 metres (at 2.0% COG)

9) **Impact Of New Discovery:** Although to date there has been insufficient drilling and evaluation of exploration targets elsewhere on the Marcona Copper Project claims, Chariot has made a broad-based estimate of the impact of a new discovery by assuming that during the next 3 to 5 years the company is able to outline an additional 0- 50 million tons of copper oxide mineralization at a grade of 0.5%- 0.7% Cu, and an additional 0-15 million tons of copper sulphide mineralization at a grade of 1.00%- 2.00%Cu, which can be extracted from one or several open pits that are within trucking distance of the Mina Justa operations.

Under such a scenario, and based on production costs somewhat higher than those used in the Base Case, copper production from the Mina Justa project could be extended by an additional 10 years, during which Chariot estimates that approximately 1.0 billion additional pounds of copper could be produced at a weighted average cost of \$0.80/lb. Chariot believes that the pre-tax NPV of this additional production could be in the order of \$165 M.

The exploration targets are more fully described in the final Long-form Prospectus by Chariot dated December 21, 2004 and filed on SEDAR (**see note below on “exploration targets”**).

Readers should note the following:

- **the preliminary assessments of Mina Justa and the dump leach project mentioned above are preliminary in nature and include Inferred Mineral Resources which do not have demonstrated economic viability and are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves;**
- **there can be no assurance that the preliminary assessments will be realized;**
- **changes in the assumptions underlying the assessments could result in a material adverse change to the net present value (NPV) calculated by Chariot;**

- The potential quantities and grades for each of the exploration targets, specifically for the SE Extension zone, the Cu40 zone, the Magnetite Manto zone and for the “new discovery” are conceptual in nature insofar as there has been insufficient exploration to define a resource and are based on surface exposures, geophysical surveys and limited drilling. There can be no assurance that further exploration will result in the establishment of additional mineral resources (as defined by the Canadian Institute of Mining, Metallurgy and Petroleum). The economic assessments of these exploration targets are considered too speculative to have economic considerations applied to them and there can be no assurance that the economic assessments will be realized.
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The information on the exploration targets has also been reviewed by Robert William Baxter, BSc. Hons. App. Geology, Director, Executive VP, Chariot Resources Limited, a “qualified person” as defined in National Instrument 43-101.