

Press Release

For immediate release

CHEMOIL'S SUCCESSFUL FIRST YEAR OPERATIONS IN THE GULF OF MEXICO UNDERLINES OFFSHORE COST EFFICIENCIES

Singapore, September 11 2008 – SGX Mainboard-listed Chemoil (SGX-ST:CHEL.SI), one of the world's leading physical suppliers of marine fuel products, has experienced substantial demand for its pioneering offshore supply service in the Gulf of Mexico during its first year of operation. The surge has been underpinned by increasing numbers of vessels spanning very large crude carriers (VLCC's), smaller tankers and bulk carriers seeking new ways to create cost efficiencies amid rising fuel costs and higher charter rates.

Since officially launching operations in August 2007 to end a five-year service gap in the US Gulf offshore market, Chemoil has tripled its capacity to over 50,000 deadweight tons (DWT). The decision to raise capacity to this level through chartering a second vessel, the 36,000DWT tanker *Nordic Ruth* in June 2008 reflects how operators are increasingly realizing significant operational and commercial benefits of combining lightering and refueling activities in one location rather than making costly and time-consuming deviations to refuel in areas such as the Caribbean.

Adrian Tolson, Chemoil's Vice President of Sales and Marketing commented: "Ship operators of all sizes are now focusing on where they can maximize efficiencies and reduce costs to alleviate current financial pressures. This is vital as they are operating in tough economic times with volatile and high fuel prices but are still challenged with generating more efficiencies and cost reductions in their supply chain. During the first year of operations in the Gulf of Mexico customer demand has grown steadily and we anticipate that this will continue as more operators convert to refueling offshore for these reasons.

"In addition to combining lightering and refueling activities to optimize efficiency, the offshore service is cost-effective as it avoids the expensive barging fees that ships often encounter in US waters. Furthermore, by working with the same supply partner in both the Gulf of Mexico and the Arabian Gulf – with the addition of Chemoil supply services in Fujairah in early 2008 - operators benefit from the

advantages of reliable product supply and high quality operations, all of which keep costs and downtime to a minimum.”

Operated by Chemoil Latin America, the company now charters two vessels that work simultaneously - the 36,000 DWT tanker *Nordic Ruth* and the original vessel, *MY Atlantic* - across key locations that include Offshore Galveston, Texas and the Louisiana Offshore Oil Port (LOOP).

Singapore-based BW Shipping Managers Pte Ltd, part of the multinational maritime BW Group, is just one customer that has benefited from the service. Captain Robin Williams, General Manager of Fleet Operations, BW Shipping explained: “Scheduling our VLCCs for bunkers after lightering offshore in the Gulf of Mexico, would often result in considerable deviation to locations in the Caribbean, particularly when vessels were returning to Northern Europe or the Mediterranean. Now by using Chemoil’s offshore bunker service in the Gulf of Mexico, we have actively reduced the need to do this. Even on voyages back to West Africa load ports, where refueling in the Caribbean used to be the only option, Chemoil’s competitively priced bunkers in the Gulf of Mexico now provide a more cost effective alternative. We have therefore welcomed this offering as it has helped us to notably boost the efficiency of our operations and manage our fuel costs more effectively on all routes within this region.”

Tolson concluded: “Our operations in the Gulf of Mexico highlight our adaptability and commitment to finding the most effective means of providing quality products and services for our customers amid changing market conditions. As more customers convert to this offshore service, this reaffirms our strategy of developing international supply services in key strategic locations. Together with the success of our Singapore and Fujairah operations we are now in the next phase of development and have the necessary infrastructure and operational capabilities to ensure sustained growth in these regions.”

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About Chemoil

As one of the marine fuel industry’s leading physical suppliers, Chemoil delivers energy through controlling all key stages of the marine fuel supply chain, providing exceptional value to its customers and maximising profitability by converting expenses to assets - acquiring, developing and controlling physical infrastructure within the supply chain. It has integrated operations in Los Angeles, New York, Houston, Singapore, Panama, United Arab Emirates and the ARA region (Antwerp, Rotterdam and Amsterdam). Established in 1981, Chemoil continually challenges industry practices and provides leadership through its progressive and innovative approach to delivering energy. With the largest share of the marine fuels market in Los Angeles and New York, Chemoil is committed to finding innovative means to delivering energy, and has been at the forefront of supplying cleaner fuels to meet customer demands in light of changing legislation to protect the

environment. Chemoil was listed on the Main Board of Singapore Exchange Securities Trading Limited (SGX-ST) on December 14, 2006. In 2007 the company delivered over 14.6 million tons of fuel. More information on Chemoil is available at www.chemoil.com



Chemoil's growth strategy consists of three dimensions:

MARKETS - expansion into new markets or increasing market share in existing locations in order to improve scale economies;

SUPPLY CHAIN - investment and improvement in strategic assets that provide more control over the supply chain and enhance cost advantages; and

PRODUCTS - entering into new products lines that can successfully leverage on our existing supply chain infrastructure.

THIS RELEASE PERTAINS TO "MARKETS" AND "SUPPLY CHAIN" ASPECTS OF CHEMOIL'S GROWTH STRATEGY.

Forward Looking Statements

This press release may contain forward looking statements relating to Chemoil's performance that are based on management's current expectations, estimates and projections about the oil, chemicals and other energy-related industries. Actual future performance, outcomes and results may differ materially from those expressed in forward looking statements as a result of a number of risks, uncertainties, assumptions and other factors, some of which are beyond Chemoil's control and are difficult to predict. You are cautioned not to place undue reliance on these forward looking statements, which speak only as of the date of this press release. Unless legally required, Chemoil undertakes no obligation to update publicly any forward looking statements, whether as a result of new information, future events or otherwise.

Representative examples of other factors that may impact the forward looking statements include (without limitation) general industry, international economic and political conditions, crude oil prices, refining margins, competition from other companies, the competitiveness of alternate energy sources or product substitutes, shifts in customer demands, customers and partners, changes in operating expenses, including all other unpredictable or unknown factors not discussed in this press release, which could also have material adverse effects on forward looking statements contained in this release as well as other statements made by Chemoil.

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Footnote

The initial public offering of the Company's shares was sponsored by J.P. Morgan (S.E.A.) Limited and UBS AG, acting through its business group, UBS Investment Bank.