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For Immediate Release

CHEMOIL SIGNS JOINT VENTURE AGREEMENT TO BUILD OIL TERMINAL IN FUJAIRAH

Singapore, 8 February 2007 – Mainboard-listed Cemoil Energy Limited (“Cemoil” or the “Company”), one of the largest leading integrated physical supplier of marine fuel products globally, today announced that it has signed a Joint Venture Agreement (“JV Agreement”) with Gulf Petrol Supplies LLC (“GPS”) to invest in a Joint Venture Company (the “JV Company”). The JV Company will be 40 percent owned by Cemoil and 60 percent owned by GPS and will be involved in the development and operation of an oil storage terminal in Fujairah, United Arab Emirates (“UAE”). The issued and paid up share capital of the JV Company will be AED 50 million (approximately USD 13.7 million), of which the Company will contribute 40 percent or AED 20 million (approximately USD 5.5 million) in cash.

Commenting on the expansion into Fujairah, Mr Robert V. Chandran, Executive Chairman and Chief Executive Officer of Cemoil said, “We are honored to partner GPS, a company with a strong reputation for reliability and quality, in this joint venture. Cemoil already has an established presence in Singapore and Rotterdam, and with this joint venture in Fujairah, we now have operations in the three largest bunker markets in the world. This expansion is in line with our growth strategy of expanding into new markets and focusing on high volume locations. Cemoil has a clear strategy for growth and going forward, we will continue to focus on executing our various plans and expanding our business further to deliver value to our investors.”

His Highness Sheikh Saleh bin Mohammed Al Sharqi, Chairman of Fujairah National Group which is the holding company of GPS commented, “We are pleased to partner Cemoil, one of the largest and leading integrated physical suppliers of marine fuel products globally. Cemoil has over 25 years of experience in supplying marine fuel and has a proven business model and track record. We are confident that we have found the right partner for our joint venture and look forward to a close working relationship with Cemoil going forward.”

a member of the Cemoil Group of Companies

DELIVERING ENERGY

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

Pursuant to the terms of the JV Agreement, GPS will transfer 44,000 cubic meters (“cbm”) of oil storage capacity to the JV Company. Further expansion of storage capacity is expected to complete by end 2008 and will take place in two phases, with phase one adding 45,000 cbm of oil storage capacity and phase two adding another 237,000 cbm of storage capacity. The total expansion cost for phase one and phase two is approximately USD 56 million to be funded by a combination of bank borrowings and equity. The new oil storage terminal is expected to be fully operational by January 2009 and will have a total capacity of 326,000 cbm per month, of which 226,000 cbm will be for bunker fuel with the remainder 100,000 cbm intended for clean fuel.

A copy of the JV Agreement will be available for inspection during normal business hours at Chemoil's registered office for a period of 3 months from the date of this announcement.

The joint venture is not expected to have any material impact on Chemoil's financial performance in the current financial year.

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Mr Robert V. Chandran, Executive Chairman and Chief Executive Officer of Chemoil exchanging a handshake with His Highness Sheikh Saleh bin Mohammed Al Sharqi, Chairman of Fujairah National Group which is the holding company of GPS after signing the Joint Venture Agreement

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About Chemoil Energy Limited

Chemoil Energy Limited ("Chemoil" or the "Company") is one of the largest and leading integrated physical suppliers of marine fuel products globally. Chemoil purchases fuel oil, diesel oil and blend components from national oil companies, refineries, major oil producers and other sources. The Company transports, stores and blends marine fuel, which it sells and delivers to a broad base of customers. These customers include a diverse group of ocean-going ship operators, international container and tanker fleets, time charter operators, marine fuel traders and other customers. Chemoil participates in all key stages of the marine fuel supply chain, enabling it to capture margins at every stage.

Chemoil acts as "gas stations" for ships and provide fuelling services to its customers through service centres that it operates in many ports around the world. The Company provides its customers with global single supplier convenience, competitive pricing, the availability of trade credit, access to specialized products, customized term contracts and fully integrated marine fuel delivery services.

Chemoil has physical operations in many ports around the world, including Los Angeles, New York, Houston, Singapore, Panama and the Amsterdam-Rotterdam-Antwerp region. In all of these ports, it owns or leases terminal capacity for the storage and blending of fuels and barging facilities for the delivery of marine fuel to our customers, which allows for the full integration of marine fuel delivery in each of the markets that it serves. The Company maintains sales offices in San Francisco, Rotterdam, Monaco and Singapore.

Through its associated company, IPC (USA), Inc., Chemoil markets jet fuel to United States and international commercial airlines in the United States and markets and sells unbranded gasoline and diesel fuel to independent retail stations and other customers, including delivery services and other industrial users.

Chemoil was listed on the Main Board of Singapore Exchange Securities Trading Limited (the "SGX-ST") on 14 December 2006.

About Gulf Petrol Supplies LLC

Gulf Petrol Supplies LLC is one of the subsidiaries of Fujairah National Group. GPS has established itself as a premier petroleum products supplier in the UAE and as a bunker supplier in the Gulf region.

GPS provides a wide range of petroleum products and services, which include:

- Trading & distribution of said products in the UAE and abroad.
- Bunker supplies.
- Cargo supplies by ship.
- Renting of petroleum storage tanks to clients.

In carrying out its activities, GPS derives a great advantage from its ownership of an environmentally friendly, state-of-the-art terminal, a fleet of modern tanker-trucks, and automatic gauging and truck-loading facilities that are remotely monitored.

GPS has built its business on trust, integrity and commitment to its clients. It takes pride in its reputation for responsiveness and reliability.

Issued for and on behalf of Chemoil Energy Limited

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