

Press Release

For Immediate Distribution

Chemoil's Strategic Asset Acquisition Approved by Shareholders

- **Helios Terminal to optimise efficiency of Singapore bunkering operations**
- **Improves cost of operation, helps achieve higher volume and market share**
- **448,000 cubic metre capacity is Chemoil's largest storage facility to date**

Singapore, 30 May 2007 – SGX Mainboard-listed Chemoil (SGX-ST: CHEL.SI) announced today it has obtained shareholder approval at the company's Extraordinary General Meeting held yesterday to acquire the Helios Terminal from Andorra Services Limited. The bunkering terminal is currently being constructed on Singapore's Jurong Island. With 18 fuel oil product tanks aggregating a capacity of 448,000 cubic metres, the Helios Terminal acquisition is aligned with the company's overall strategy of extracting margins at every step of the marine fuel supply chain. With the ownership of the Helios storage capacity, which is an important component of the company's strategic conversion of expenses into assets, the company would be able to better manage costs with more control over the storage and blending operations. The Helios Terminal simultaneously strengthens Chemoil's competitive ability to grow its customer base in the long run.

Commenting on this recent development, Robert V. Chandran, Chemoil's Executive Chairman and CEO said, "I am excited about the fact that this storage terminal will help us further reinforce our core competence as a leading integrated supplier of marine fuel products in the region and the world over. The Helios Terminal acquisition is also aligned with our plans to grow our customer base and market share by positioning Chemoil as a provider of more competitive prices relative to other independent fuel suppliers, so that we can keep growing the business and keep giving the best value to our customers and our stakeholders."

The Helios Terminal purchase will make the storage facility the largest owned by the company to date. The terminal is being constructed by Helios Terminal Corporation Pte Ltd, a Singapore incorporated company owned by Andorra, which is beneficially owned and controlled by Robert V. Chandran. The acquisition of the terminal, being an interested person transaction with a value of more than 5 percent of the latest audited consolidated net tangible assets of Chemoil, required the approval of minority shareholders at yesterday's Extraordinary General Meeting in accordance with listing requirements.

"In the interest of corporate governance, we are currently looking at all interested person transactions as we would like to minimise them as much as possible," said Clyde Michael Bandy, Chemoil's lead Independent Director. The company will be acquiring all the shares of Helios Terminal Corporation Pte Ltd for approximately US\$39.4 million, and will be securing long-term borrowings to finance the completion of the project.

"In that respect, I am very pleased to report that various banks and financial institutions led by Raiffeisen Zentralbank Osterreich AG (RZB-Austria), Singapore branch, will be providing the financing for the Helios Terminal construction. Once the terminal is completed and integrated into our operations, it will be synergistic to Chemoil's business and help improve efficiencies throughout our integrated value chain," added Jerry Lorenzo, Chief Financial Officer of Chemoil.

Chemoil is also exploring a number of storage terminal investments in other high volume, strategically located regions such as Panama, Fujairah and Rotterdam, to further boost its global storage capacity. In addition, on-going investment in delivery vessels such as tankers and barges will help the company to be a proactive energy supplier, especially at the cornerstones of the company's global footprint.

The Helios Terminal began construction in 2006 on Jurong Island and is scheduled for completion in the fourth quarter of 2007. Currently over 60 percent complete, the Helios terminal will help underpin Chemoil's business sustainability, by minimising the company's exposure to the uncertainties of leased storage capacity in terms of costs and other leasing vagaries. The push towards ownership of storage capacity will help

augment Chemoil's effort to optimise each stage of its integrated operations, and thus maximising margins captured throughout the supply chain.

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About Chemoil

Chemoil is one of the world's largest and leading integrated physical suppliers of marine fuel products, delivering over 13 million tons of fuel in 2006. The company has a global presence with integrated operations in Los Angeles, New York, Houston, Singapore, Panama and the ARA region (Antwerp, Rotterdam and Amsterdam). It owns or leases strategic assets including terminal capacity for fuel storage and blending, and barging facilities for marine fuel delivery. Chemoil employs over 200 staff in various offices in the United States, Singapore, Panama, Netherlands, Monaco and India. It participates in all key stages of the marine fuel supply chain, as well as markets and sells jet fuel, unbranded gasoline and diesel fuel. Established in 1981, Chemoil is committed to finding innovative means to offer products that protect the environment and sustain business continuity. Chemoil was listed on the Main Board of Singapore Exchange Securities Trading Limited (SGX-ST) on December 14, 2006. More information on Chemoil is available at www.chemoil.com.

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.

Media Contact

Weber Shandwick Worldwide

Gerry Wong

gerry.wong@webershandwick.com

Direct: +65 6825 8069

Mobile: +65 9247 4963

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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.