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For Immediate Release

INITIAL PUBLIC OFFERING OF CHEMOIL ENERGY LIMITED 4.90 TIMES SUBSCRIBED

- **Shares to commence trading on Thursday, 14 December 2006**
- **First leading integrated physical supplier of marine fuel products globally to list on Singapore Exchange Securities Trading Limited**

Singapore, 13 December 2006 – Chemoil Energy Limited (“Chemoil” or the “Company”), one of the largest and leading integrated physical supplier of marine fuel products globally, is pleased to announce that its initial public offering (“IPO”) has received positive market response.

At the close of the Public Offer on 12 December 2006 at 2:00 p.m., 17,457 valid applications were received for the 6,744,000 shares (“Offering Shares”) under the Public Offer at the offering price of S\$0.70 per Offering Share (equivalent to US\$0.45 per Offering Share for the Placement based on the fixed exchange rate of US\$1.00:S\$1.5598). In total, these applicants applied for 472,649,000 Offering Shares, with application monies received amounting to approximately S\$331 million. The Public Offer was approximately 70.08 times subscribed.

Interest from institutional investors was also strong, with all 218,059,000 Offering Shares under the Placement at US\$0.45 per Offering Share fully taken up at the close of the Placement on 29 November 2006 at 6:00 a.m. Based on the 182,090,000 Offering Shares available under the Placement (excluding the 35,969,000 Offering Shares allocated to Andorra Services Limited (all the shares of which are beneficially owned by the executive chairman and chief executive officer of Chemoil Energy Limited (“Chemoil”), Robert Viswanathan Chandran)), the indications of interest of approximately 452,166,000 Offering Shares under the Placement represent approximately 2.48 times the Offering Shares available under the Placement (excluding the 35,969,000 Offering Shares allocated to Andorra Services Limited). Based on the aggregate of 188,834,000 Offering Shares available (excluding the 36,969,000 Offering Shares allocated to Andorra Services Limited), the Offering (comprising the Placement and the Public Offer) was approximately 4.90 times subscribed.

A total of US\$101 million in gross proceeds has been raised from the Offering (assuming the Over-allotment Option is not exercised).

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Commenting on the response to the Offering, Mr Robert Viswanathan Chandran, Executive Chairman and Chief Executive Officer of Chemoil Energy Limited said, "The strong response to this IPO from both institutional and retail investors is encouraging to us as we see this as a signal of their confidence in Chemoil and their belief in our growth potential. As the first leading integrated physical supplier of marine fuel products globally to list in Singapore, we believe that Chemoil's investment merits and competitive strengths lie in our leading position in the marine fuel industry, global presence and relationships, ability to extract margins through our integrated business model, proven track record of growth and financial performance, strong brand value, experienced management and entrepreneurial culture as well as strategies for future growth. We are committed to the growth of Chemoil and shareholders' value and bringing the Company to greater heights."

J.P. Morgan (S.E.A.) Limited and UBS AG, acting through its business group, UBS Investment Bank, are the Joint Bookrunners for the Offering, while UOB Asia Limited is the Co-ordinator of the Public Offer.

The shares will be traded in U.S. dollars in board lots of 1,000 on the Main Board of Singapore Exchange Securities Trading Limited (the "SGX-ST"). Trading on a "ready" basis is expected to commence at 9:00 a.m. on Thursday, 14 December 2006 subject to the SGX-ST being satisfied that all conditions necessary for the commencement of trading in the shares on a "ready" basis have been fulfilled. Further details on allotments and/or allocations will be published in one or more of the major Singapore newspapers or announced through a SGXNET announcement posted on the Internet at the SGX-ST website <http://www.sgx.com> prior to the listing of the shares on the SGX-ST.

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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 specialised products, customised term contracts and fully integrated marine fuel delivery services.

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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.

Issued for and on behalf of Chemoil Energy Limited

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