

Press Release

For Immediate Distribution

CHEMOIL COMPLETES VLCC SALE

Securing high value sale price and increasing net gain for current financial year

Singapore, September 21, 2007 . Mainboard-listed Chemoil (SGX-ST: CHEL.SI), one of the world's leading integrated physical suppliers of marine fuel products, announced today that it has sold its 225,000 dead weight tonne tanker, MT. Anand Sea for US\$26.5 million to Glory Town Investments Limited.

Chemoil's Chief Financial Officer, Jerome Lorenzo commented: "In view of the earlier than scheduled commencement of our land based storage terminal, the fuel oil market being backwardated until the end of this year and the anticipated decline in the second hand tonnage market, we have considered it to be commercially prudent to dispose the floating storage facility given the attractive purchase offer."

The company currently leases 46,099 metric tonnes of land based storage capacity at Vopak in Singapore for fuel oil and blended products. The VLCC was originally acquired as a short-term measure to provide additional capacity until its terminal was completed. However, during Chemoil's second quarter, the vessel experienced operational disruptions whilst stationed in Malaysian waters.

The transaction through Chemoil's wholly owned subsidiary, Anand Sea Shipping Limited, will result in a net gain for the Group's current financial year with a corresponding increase in the net tangible assets. In the interests of upholding sound corporate governance, none of the directors or the controlling shareholder of Chemoil are related to Glory Town or have any personal interest in the disposal of MT Anand Sea.

Jerome Lorenzo concluded: "The transaction has been a timely and profitable opportunity. We look forward to strengthening our performance in Singapore during the next quarter and increasing Chemoil's long-term market growth within the region."

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.

Global Media Relations

Blue Communications
Amanda Lyons
Tel: +65 8182 9774
Email: amanda@blue-comms.com

Investor Relations

Huntington Communications
Winnie Lee
Tel: +65 6339 2883
Email: winnie.lee@huntington.com.sg

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.