

Press Release

For immediate release

CHEMOIL PLANS TO INCREASE TERMINAL CAPACITY IN FUJAIRAH

Reinforcing the company's ambitious growth plans within the Middle East as operations begin

Singapore, March 10, 2008 – SGX Mainboard-listed Chemoil (SGX-ST: CHEL.SI), one of the world's leading physical suppliers of marine fuel products, has announced plans to further expand its GPSCemoil terminal in Fujairah with additional capacity of between 500,000 to 600,000 cubic meters by 2010, creating the company's largest owned storage facility after the recently launched Helios Terminal in Singapore. Following the completion of the entire expansion program through Chemoil's joint venture with Gulf Petroleum Supplies, the terminal's fully aggregated capacity could reach approximately 650,000cbm.

Chemoil is currently utilizing its share of the existing 49,000 cubic meters GPSCemoil terminal and leasing a further 60,000 cubic meters of capacity from Vopak whilst the phased construction of its terminal continues. It is estimated that by the end of the fourth quarter of 2008, the third phase of expansion will be completed to provide a total capacity of 94,000 cubic meters. Revised plans for the fourth phase of construction aim to further augment its original proposal by using land leased from the Port of Fujairah to extend the facility by an additional 500,000 to 600,000 cubic meters. Some of the tanks could be ready as early as mid-2009. The company is also exploring other options to further expand its local capacity beyond 2010, should market conditions demand for it.

Sanjay Anand, Managing Director of Chemoil Logistics Inc. said: "As the strong demand for land-based storage continues in Fujairah, Chemoil is aiming to nearly double the terminal's capacity from what was originally intended. Through working in co-operation with our partner, GPS, Chemoil will strengthen its physical infrastructure through a phased approach of construction to underpin our operations inline with our intended regional market growth. By controlling the facility we will also be able to generate additional income from leasing storage to third parties if there is surplus capacity."

The company will commence marine fuel deliveries in mid-March. In line with Chemoil's strategy of controlling all key stages of the marine fuel supply chain, operations will shortly be supported by the

imminent arrival of two dedicated 7000dwt barges – the George Sea and its newly-built vessel, the Lorenzo Sea. Three berths at the port of Fujairah are currently being used and the company will have access to the new berths that are currently being constructed by the Port of Fujairah.

Saif Alsalami, Director of Fujairah National Group/Gulf Petroleum Supplies, commented on the expansion plans: “Chemoil has a sound strategy for ensuring that its plans in Fujairah are central to its global offering and we look forward to working with them to realize the potential within this market. Through our partnership we will increase our asset base and recognize increased efficiencies and cost benefits from our investment.”

From its operations hub in Fujairah, one of the world’s top three bunkering ports with annual volumes of 12million metric tons, Chemoil is now positioned to service customers throughout the Middle East and surrounding regions whilst strengthening the company’s global reach. By complementing growing physical operations in Asia, Europe and the Americas, Chemoil’s customers will benefit from the consistency and reliability of service that they already enjoy worldwide. Furthermore, tanker operators will benefit from the strategic advantage of using the same supplier in both the Gulf of Mexico and Fujairah.

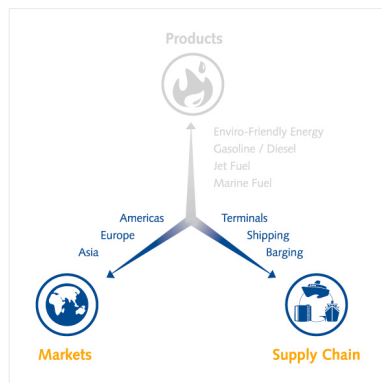
Michael Bandy, Chemoil’s Chairman and Chief Executive Officer concluded: “Chemoil has an ambitious yet realistic aim to seize a sizeable share of the marine fuels market in Fujairah and we will use this as a centre for growing our trading operations throughout the Middle East. As a dedicated marine fuels supplier that offers the benefits of an unparalleled global network with physical control over the supply chain, we can offer the regional bunker market the highest standards in fuel quality and reliable deliveries. Our expansion plans for the GPSCemoil terminal supersede our previous storage developments and demonstrate our long-term commitment to the market. This also reinforces Chemoil’s business strategy of converting operational overheads into strategic assets as we enter new, high volume markets.”

Chemoil Middle East is headed by Irfan Khan while the GPSCemoil terminal operations are managed by Francis Khoo.

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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 and in the same year delivered over 13 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.