

Press Release

For immediate release

CHEMOIL ACQUIRES STORAGE TERMINAL IN THE PHILIPPINES TO FORTIFY ITS FOOTPRINT IN SOUTH EAST ASIA

Strategic investment provides opportunities to increase supply chain infrastructure within the Asian energy market

Singapore, August 22 2008 - SGX Mainboard-listed Chemoil (SGX-ST: CHEL.SI), one of the world's leading integrated physical suppliers of marine fuel products has announced that it has acquired a controlling interest in a storage terminal in the Philippines. The ocean-front terminal located in Batangas, Philippines has an operational capacity of 34,000 cubic meters that could be used for the storage of petroleum products such as gasoline, diesel and fuel oil.

The investment is valued at over US\$13 million and was financed through a combination of debt and equity. The terminal is located on 23 hectares of freehold land thereby providing opportunity for further expansion. The company is currently exploring the possibility of expanding the terminal in the near future so that additional storage capacity may be used for marine fuels supply. In the interim, Chemoil will make further investments to the facilities to better meet the storage terminal's operational requirements.

Commenting on the acquisition, Chemoil Chairman and CEO Clyde Michael Bandy said: "This acquisition is consistent with the company's core strategy of growing our business along the lines of expanding geographic coverage of our operations, continuing to backward integrate our logistics chain, and offering new products whenever possible. We have a track-record of developing our business through identifying strong growth opportunities and so our investment in Batangas is a logical step. We have our Asia headquarters and a flourishing marine fuels business in Singapore and this newly acquired storage terminal will help us extend our presence into key regional markets in and around the Philippines."

"Because of the terminal's geographic proximity, Chemoil will also increase its ability to enter other regional ports including the buoyant Chinese fuel products market, hence further bolstering the company's hub-and-spoke approach to expansion in Asia centered around its flagship Helios Terminal that commenced operations on Jurong Island, Singapore early this year. In addition, such infrastructure

could potentially increase Chemoil’s flexibility for storing physical inventories, thus better positioning the business to take advantage of favorable trading dynamics.”

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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. In 2007 the company delivered over 14.6 million tons of fuel. More information on Chemoil is available at www.chemoil.com



This release pertains to all 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.