

CHEMOIL ENERGY LIMITED
(Company Registration No. 200591)
(Incorporated in Hong Kong)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Chemoil Energy Limited (“the Company”) will be held at the Marina Mandarin Singapore, Vanda Ballroom, Level 5, 6 Raffles Boulevard, Marina Square, Singapore 039594 on Friday, 29 April 2011 at 3.00 p.m. or upon the conclusion of the Extraordinary General Meeting of the Company to be held at 2.30 p.m. on the same day and at the same place, for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Report and the Audited Accounts of the Company for the year ended 31 December 2010 together with the Auditors’ Report thereon. **(Resolution 1)**

2. (i) To re-elect the following Directors of the Company retiring pursuant to Articles 119 and 126 of the Articles of Association of the Company:

Mr. Peter Michael Meade (Retiring under Article 119)	(Resolution 2)
Mr. Steven Barry John Simpson (Retiring under Article 126)	(Resolution 3)
Mr. Thomas Kevin Reilly (Retiring under Article 126)	(Resolution 4)
Mr. Hon Kim Weng (Retiring under Article 126)	(Resolution 5)
Mr. Takashi Yasuda (Retiring under Article 126)	(Resolution 6)

Mr. Peter Michael Meade will, upon re-election as a Director of the Company, remain as a member of the Audit Committee and Nominating and Remuneration Committee and will be considered independent.

Mr. Steven Barry John Simpson will, upon re-election as a Director of the Company, remain as Chairman of the Audit Committee and will be considered independent.
2. (ii) To note the retirement of Mr. Clyde Michael Bandy in accordance with Article 119 of the Articles of Association at the conclusion of this Annual General Meeting. Mr. Bandy has decided not to seek re-election.

3. To approve the payment of Directors’ fees of up to US\$750,000 for the year ending 31 December 2011 to be paid quarterly in arrears (2010: US\$750,000). **(Resolution 7)**

4. To appoint auditors and fix their remuneration. A special notice has been received from a shareholder, pursuant to Sections 132(1)(a) and 116C of the Hong Kong Companies Ordinance, of the intention to propose the following resolution as an ordinary resolution:-

“That Deloitte Touche Tohmatsu be appointed as auditors of the Company in place of the retiring auditors PricewaterhouseCoopers, to hold office until the conclusion of the next Annual General Meeting of the Company at a remuneration to be determined by the Directors.”

[Please see Appendix for the details.] **(Resolution 8)**

5. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

6. Authority to issue shares

That pursuant to Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company be empowered to

- (a) (i) issue shares in the Company ("shares") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued shares in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares and Instruments to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued shares in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares shall be based on the total number of issued shares in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (a) new shares arising from the conversion or exercise of any convertible securities;
 - (b) new shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution; and
 - (c) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (i)]

(Resolution 9)

7. Authority to Issue Shares Under the 2006 Share Option Scheme

That the Directors of the Company be authorised and empowered to offer and grant options under the 2006 Share Option Scheme ("the 2006 Scheme") and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted by the Company under the 2006 Scheme, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate

number of additional ordinary shares to be issued pursuant to the 2006 Scheme shall not exceed five per centum (5%) of the issued share capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier. [See Explanatory Note (ii)]

(Resolution 10)

By Order of the Board

Eileen Lim
Tan San-Ju
Representing Company Secretary
- Karalon Limited

Singapore, 6 April 2011

Explanatory Notes:

- (i) The Ordinary Resolution 9 in item 6 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earliest, to issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 50% of the total number of issued shares in the capital of the Company, of which up to 20% may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares will be calculated based on the total number of issued shares in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

- (ii) The Ordinary Resolution 10 in item 7 above, if passed, will empower the Directors of the Company, from the date of this Meeting until the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the exercise of options granted or to be granted under the 2006 Scheme up to a number not exceeding in total (for the entire duration of the 2006 Scheme) five per centum (5%) of the issued share capital of the Company from time to time ("the five percent Limit"). The five per cent Limit is calculated by including the shares which have already been allotted and issued pursuant to the exercise of options under the 2006 Scheme since the implementation of the 2006 Scheme.

Notes:

1. With the exception of The Central Depository (Pte) Limited (the "**Depository**") who may appoint more than two proxies, a member of the Company entitled to attend and vote at the above meeting ("**Meeting**") who is a holder of two or more shares is entitled to appoint not more than two proxies to attend and vote instead of him or her at the Meeting. A proxy need not be a member of the Company.
2. Where an instrument of proxy appoints more than one proxy (including the case where the form of instrument of proxy approved by the Depository is used), the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument of proxy.

3. A corporation which is a member of the Company may, by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at the Meeting. The person so authorised shall be entitled to exercise the same power on behalf of the corporation as the corporation could exercise if it were an individual member of the Company.
4. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be deposited at the registered office of the Company at 12/F., The Lee Gardens, 33 Hysan Avenue, Causeway Bay, Hong Kong at least 48 hours before the time fixed for holding the Meeting, otherwise the person so named shall not be entitled to vote at the Meeting except with the approval of the Chairman of the Meeting. With regards to a Shareholder being a Depositor whose name appears in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore) who wishes to attend and vote at the Meeting, he must be shown to have Shares entered against his name in the Depository Register, as certified by the CDP, at least 48 hours before the time fixed for holding the Meeting. If a Depositor wishes to appoint a proxy/proxies, then the Depository Proxy Form must be deposited at the Company's Share Transfer Agent's office in Singapore, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, at least 48 hours before the time fixed for the Meeting.
5. No instrument appointing a proxy shall be valid except for the Meeting and any adjournment thereof. Deposit of an instrument of proxy shall not preclude a member from attending and voting at the Meeting or at any adjournment of it. Detailed instructions can be found on the Proxy Form(s).

APPENDIX TO NOTICE OF ANNUAL GENERAL MEETING DATED 6 APRIL 2011

This Appendix to the Notice of Annual General Meeting dated 6 April 2011 issued by Chemoil Energy Limited contains additional information for the Ordinary Resolution set out in Item 4 of the Notice. If you are in any doubt as to the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Chemoil Energy Limited, you should immediately forward this Appendix, the Notice of Annual General Meeting and the enclosed Proxy Form to the purchaser or the transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer for onward transmission to the purchaser or the transferee.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made or opinions expressed in this Appendix.

Resolution 8 is to appoint Deloitte Touche Tohmatsu ("Deloitte") as auditors of the Company in place of the retiring auditors PricewaterhouseCoopers ("PwC"), to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Directors of the Company.

The retiring auditors, PwC, do not wish to seek re-appointment at this Annual General Meeting. PwC has been the Company's external auditors for the past 4 years. Deloitte has expressed their willingness to accept the appointment, and has submitted an audit proposal to the Company.

The AC has reviewed Deloitte's audit proposal. It noted the reason for the proposed change of auditors, as set out in the letter dated 1 March 2011 from a member, Singfuel Investment Pte. Ltd. ("the Letter") (attached as Annexure A). It also took into consideration other factors such as the quality and adequacy of audit manpower, pricing, global reach and the possibility that the Group could benefit from a fresh perspective and the views of another professional accounting firm, and has recommended to the Board to accept the proposed change of auditors.

The Board of Directors noted the recommendations of the AC, and the reason for the change as proposed by the member, Singfuel Investment Pte Ltd, which was to ensure consistency in audit with the ultimate parent, Glencore International Ag. In their review, the Directors also had regard to other factors including the adequacy of the resources and experience of Deloitte, the quantity and quality of the supervisory and professional staff assigned to undertake the audit, the size, complexity and global reach of the Group's business activities, and are of the opinion that Deloitte will be able to meet the audit requirements and obligations of the Company. Accordingly, the Directors confirm that Rule 712 of the Singapore Exchange Securities Trading Limited Listing Manual (the "Listing Manual") has been complied with.

PwC has confirmed that they are not aware of any professional reasons why Deloitte should not accept appointment as auditors of the Company. The Directors have confirmed that there were no disagreements with PwC on accounting treatments within the last 12 months. The Directors also confirmed that they are not aware of any other circumstances connected with the change of auditors that should be brought to the attention of the shareholders of the Company.

In accordance with Rule 712(2) of the Listing Manual, the Directors propose to seek shareholders' approval for the proposed change of auditors from PwC to Deloitte.

The Directors accept responsibility for the accuracy of the information herein.