

Press Release

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CHEMOIL SPARKS NEW AGE FOR INDEPENDENTS IN 2008

Presence in the world's top four oil ports re-shapes the marine fuels supply market

December 19, 2007 - Dynamics within the global marine fuel industry are shifting rapidly according to Chemoil Energy Ltd, one of the world's leading physical suppliers of marine fuel products. With a growing physical presence in the world's four key oil ports, following the launch of its Helios Terminal, Chemoil is confident that its ability to effectively manage its customers complete delivery supply chain on a global basis can lead a new age for independent marine fuel suppliers and present a serious challenge to the industry status quo.

In January 2008, the company will begin operations at its 448,000 cubic meter Helios terminal in Singapore, and is also planning to start delivering fuel from the GPS-Chemoil terminal in the UAE port of Fujairah shortly afterwards. This will provide a physical presence in the world's four key oil products' markets alongside Rotterdam and the US Gulf. Cumulatively, around 57million¹ metric tonnes of marine fuel were delivered at these locations in 2006. In addition to demonstrating how independent fuel providers can expand into high volume locations through investing in capital improvements generated through its IPO, Chemoil is also re-shaping these markets by controlling all key aspects of the supply chain, something that the oil majors have shied away from in the last decade. For example, in Singapore, the world's largest bunkering hub, Chemoil has invested \$122million in its Helios Terminal. This will allow Chemoil control over its entire delivery supply chain from tank to ship; sourcing fuel products, terminalling, blending and barging. Through this physical infrastructure combined with over 26 years of focused industry expertise, customers will benefit from increased reliability, quality, consistency, value and flexibility of service.

Furthermore, through its joint venture in Fujairah with Gulf Petroleum Services, Chemoil will be utilizing existing capacity at the GPS/Chemoil terminal whilst construction work progresses to expand its facility to

¹ Ocean Intelligence Report: A Complete Guide to the Bunker Market 2006 (source used for all market figures quoted in this release)

a total capacity of 326,000 cubic meters by January 2009. The company will also control its own barging function. With a foothold into a region that supplies around 13million metric tonnes of marine fuel a year and is currently un-serviced by the majors, Chemoil is seizing an opportunity to provide a broader service base and greater product range to some of the world's largest shipping operators. Through its off-shore operations in the US Gulf and Fujairah, the company is broadening its customer base through increasing its supply to the world's leading tanker operators.

Adrian Tolson, Chemoil Vice President, Sales and Marketing explains: "January 2008 not only marks the start of a new year, but a major step in Chemoil's global expansion strategy with operations in the world's four largest oil products fuel ports and the beginning of a new era in independent fuel delivery.

"In addition to expanding our global reach, through reinforcing our operations in Singapore and starting our business in Fujairah, Chemoil is demonstrating to the market that we can provide customers with a genuinely different marine fuel delivery service through our focused investment on controlling physical infrastructure within marine fuel supply. This approach was central to becoming the US' largest independent fuel provider and we aim to continue this throughout Asia, Europe and the Middle East.

"Unlike the majors who have a global business but pay little attention to bunkering or the regional players who have good local knowledge but lack the international presence, we can offer both operational and regional expertise with unparalleled global infrastructure to create a flexible yet reliable service. Our new terminal and barging operations in Singapore are a great example of this originality. As the only provider now in that market to manage every important stage of the fuel delivery chain, Chemoil is 're-entering' Singapore with renewed vigour."

As Chemoil continues to implement its long-term growth strategy through growing its presence in existing ports and expanding into new markets, it encourages other independents to leverage their competencies and even consider options such as public offerings for their future development.

Tolson concludes: "There has never been a greater time for independents to seize the moment. As legislative change and varied commercial pressures affect the industry, ship operators are increasingly demanding service from providers who understand their industry, meet their changing fuel requirements safely and flexibly and who have the facilities in place to reliably deliver on their promises. Independents are the ones with the specialised industry knowledge and the operational agility to respond to these

challenges rather than the big brand names whose commitment to investing in this industry is questionable.”

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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 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, 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

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.

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Media Relations

Blue Communications
Amanda Lyons
Tel: +65 6329 9791
Mobile: +65 8182 9774
Email: amanda@blue-comms.com

Investor Relations

Huntington Communications
Edna Kheng
Tel: +65 6339 2883
Mobile: +65 9339 9061
Email: edna.kheng@huntington.com.sg