

CHEMOIL ENERGY LIMITED
(Incorporated in Hong Kong on 9 October 1987)
(Company Registration No. 200591)

EARNINGS OUTLOOK FOR THE THIRD QUARTER ENDING 30TH SEPTEMBER 2007

Chemoil Energy Limited (the **%Company+** or **%Group+**) wishes to announce that its third quarter profit after tax will be impacted by issues affecting its logistics operations in Singapore as well as volatile conditions in both the petroleum and energy futures markets.

As referred to in our second quarter results announcement, the impact of our floating storage issues in Singapore will spill over to the third quarter 2007.

Apart from the above, the Group incurred interim losses from its global supply operations. A portion of the Group's inventory was hedged against crude oil markets that witnessed a lack of correlation with the Group's fuel oil inventory. The recent widespread market volatility created a challenging environment for managing the Group's overall inventory exposure.

The Company currently expects its fourth quarter 2007 earnings to be an improvement over its second and third quarter results.

By Order of the Board

Robert Viswanathan Chandran
Executive Chairman and Chief Executive Officer
17 September 2007

The initial public offering of the shares of Chemoil was sponsored by J.P. Morgan (S.E.A.) Limited and UBS AG, acting through its business group, UBS Investment Bank.