



**CHEMOIL ENERGY LIMITED**  
**(Incorporated in Hong Kong on 9 October 1987)**  
**Company Registration Number: 200591**

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**ESTABLISHMENT OF SUBSIDIARY: FAITH IV PTE. LTD.**

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The Board of Directors of Chemoil Energy (the "Company" or "CEL") wishes to announce that the Company has established a wholly-owned subsidiary, FAITH IV PTE. LTD., a company duly incorporated in Singapore on 28 February 2007 with a paid-up and issued share capital of SGD50,000.00.

FAITH IV PTE. LTD. would be engaged in the business of shipowning, shipchartering, shipmanagement and related activities.

The paid-up capital of SGD50,000.00 was funded through internal resources.

The formation of the new subsidiary is not expected to have a material impact on the net tangible assets per share or earnings per share of the Company and its subsidiaries for the financial year ending 31 December 2007.

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the above-mentioned transaction.

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

By Order of the Board

Robert Viswanathan Chandran  
Executive Chairman and Chief Executive Officer  
30 March 2007