

CHEMOIL ENERGY LIMITED
(Company Registration No.: 200591)
(Incorporated in Hong Kong S.A.R.)

**2006 SHARE OPTION SCHEME
ISSUE AND ALLOTMENT OF NEW SHARES**

1. ISSUANCE AND ALLOTMENT OF SHARES

The Board of Directors of Chemoil Energy Limited (the "**Company**") wishes to announce the issue and allotment of an aggregate of 11,506,865 ordinary shares ("**Shares**") in the capital of the Company (the "**New Shares**") to Amicorp Trustees (Singapore) Limited as trustee to hold the New Shares on trust for the holders of options ("**Optionholders**") granted pursuant to the 2006 Share Option Scheme of the Company ("**Options**") in advance and in anticipation of the Optionholders exercising their Options in the event that the Optionholders become entitled to exercise any Options held by them and as yet unexercised on the date that the Exit Offer (referred to in the joint announcement dated 25 February 2014) by Singfuel Investment Pte. Ltd. (the "**Offeror**") becomes unconditional and in accordance with the rules of the 2006 Share Option Scheme of the Company.

Pursuant to the issue and allotment of the New Shares, the total issued share capital of the Company will comprise of 1,304,118,865 Shares.

The New Shares will be listed on the Official List of the Singapore Exchange Securities Trading Limited with effect from 11 April 2014. The New Shares issued rank *pari passu* in all respects with the existing Shares of the Company.

2. DIRECTORS' RESPONSIBILITY STATEMENT

The directors of the Company (the "**Directors**") (including any who may have delegated detailed supervision of the preparation of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement which relate to the Company (excluding information relating to the Delisting Proposal (referred to in the joint announcement dated 25 February 2014), the Exit Offer, the Offeror and/or Glencore Xstrata plc ("**Glencore**")) are fair and accurate and that, where appropriate, no material facts which relate to the Company have been omitted from this announcement, and the Directors jointly and severally accept responsibility accordingly.

Where any information which relates to the Company has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror, the sole responsibility of the Directors has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this announcement. The Directors do not accept any responsibility for any information relating to the Delisting Proposal, the Exit Offer, the Offeror and/or Glencore or any opinion expressed by the Offeror.

BY ORDER OF THE BOARD
CHEMOIL ENERGY LIMITED

Thomas Kevin Reilly
Director

11 April 2014