

AP OIL INTERNATIONAL LIMITED

Registration No. 197502257M

ANNOUNCEMENT

CONTRACT ENTERED BY WHOLLY OWNED SUBSIDIARY, ALPHA PACIFIC PETROLEUM (S) PTE LTD

The Board of Directors of AP Oil International Limited (the "Company" or "AP") is pleased to announce that our wholly owned subsidiary, Alpha Pacific Petroleum (S) Pte Ltd ("Alpha") has signed a 3 year contract with Gulf Oil Marine Ltd. ("GOM") to provide manufacturing, supply and distribution services of marine lubricants to GOM's customers in Singapore ports.

GOM is part of the Gulf Oil International group of companies and supplies marine lubricants to its customers through its partners in the Sealub Alliance.

The volume of lubricants to be produced will vary according to GOM's requirements. Alpha will take advantage of its logistics currently in place, including its private jetty and bulk terminal facilities to satisfy GOM's requirements in developing marine lubricants business in this region.

The fulfillment of this contract will be undertaken with Alpha's existing plant facilities. Additional investment, if any, will be funded by internal resources or bank borrowings and is not expected to have a material impact on the Company's net tangible assets.

The Company is unable to quantify the exact contribution from the abovementioned contract at this junction, but we expect it will have a positive impact on earnings per share for the duration of the contract. Save for the respective shareholdings in AP, none of the Directors and/or substantial shareholders have any interest, directly or indirectly, in the abovementioned transaction.

The agreement shall automatically be renewed for a subsequent term of 1 year, if not terminated by either party.

By Order of the Board

DR HO LENG WOON

Chairman

Date : 1 June 2009