



1 September 2008

FORTUNE OIL PLC
(“Fortune Oil” or “the Company”)

**Investment of £39 million in Fortune Oil’s integrated gas business
by Kerry Holdings and Wilmar International**

Fortune Oil is pleased to announce that a conditional Subscription Agreement has been signed for an investment in Fortune Gas Investments Holdings Limited (“Fortune Gas”), a newly created holding company for Fortune Oil’s gas business, for US\$72 million (£39 million) (the “Investment”). Wilmar International Limited and Star Medal, a wholly-owned subsidiary of Kerry Holdings Limited, have each agreed to invest US\$36 million to acquire new shares in Fortune Gas representing 15 per cent each of the enlarged share capital of Fortune Gas.

Fortune Gas is a Hong Kong registered company holding all of the Company’s gas operations, including gas distribution and coal bed methane. Fortune Oil will own 70 per cent of the equity of Fortune Gas, thereby retaining control of the gas business. The cash raised from the Investment will be used to finance further expansion of the gas business.

For the 6 months ended 30 June 2008, Fortune Gas reported an unaudited operating profit of £2.3 million (FY2007: £2.7 million) and as at 30 June 2008, the unaudited gross assets of Fortune Gas were £63.7 million (Year Ended 31 December 2007: £55.4 million).

The Investment is conditional upon, inter alia, finalisation of the Shareholders’ Agreement, completion of certain due diligence and no material adverse change occurring prior to completion. Under the Subscription Agreement, Fortune Oil PRC Holdings Limited and Fortune Gas have agreed to provide standard joint and several warranties and indemnities to the new investors concerning the gas business. Completion is expected within two months.

Kerry Holdings Limited is the main investment holding company of the Kuok Group in Hong Kong. Both the Kuok Group and Wilmar International Limited have substantial business interests and experience in China that will assist in the development of Fortune Gas. The cash raised through the Investment will accelerate the creation of an integrated gas business through acquisitions and investments across the gas chain, from coal bed methane to retail Compressed Natural Gas stations. With the new strategic investors, Fortune Gas will be able to maintain its high rate of growth and capture the many opportunities in China’s emerging gas sector.

Another wholly-owned subsidiary of Kerry Holdings Limited, Creation Investments Limited, holds approximately 4.74 per cent of Fortune Oil’s fully diluted share capital following a placing on 4 July 2008.

Mr. Qian Benyuan, Chairman of Fortune Oil, commented:

“This significant investment by the Kuok Group and Wilmar International represents a crucial step in the development of Fortune Oil’s gas operations in China and demonstrates the investors’ confidence in the prospects for this division. As well as providing funding for additional investment within China’s rapidly growing gas sector, our new partners bring extensive industry experience that will assist the successful development of Fortune Oil’s integrated gas business.”

Information on the Kuok Group

The Kuok Group's principal businesses include commodities trading, property development and investment, warehouse and logistics operations, hotel ownership and management and media. Kerry Holdings Limited is a substantial shareholder (as defined under the Hong Kong listing rules) of three listed companies in Hong Kong, namely Kerry Properties Limited, Shangri-la Asia Limited and SCMP Group Limited (the South China Morning Post newspaper group).

Information on Wilmar International Limited

Wilmar International Limited is Asia's leading agribusiness group. It ranks amongst the largest listed companies by market capitalisation on the Singapore Exchange. Its business activities include oil palm cultivation, edible oils refining, oilseeds crushing, consumer pack edible oils processing and merchandising, specialty fats, oleochemicals and biodiesel manufacturing, and grains processing and merchandising. Headquartered in Singapore, Wilmar International Limited has operations in more than 20 countries across four continents, with a primary focus on Indonesia, Malaysia, China, India and Europe.

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