

April 18, 2018

To,
**The Singapore Exchange Securities Trading
limited**
2, Shenton Way,
#19-00, SGX Centre 1,
Singapore – 068804

Re: USD 16,000,000 4.75% Convertible Bonds Due 2019 ("The Bonds")
Sub: Updates on Coal Operations

We refer to our earlier communication dated January 15, 2018, wherein successful resumption of coal operations in Indonesia was announced. Further, it was also informed that the management expects operations to reach optimum levels by March, 2018.

In the above context, Mercator is pleased to inform the Exchange that coal mining operations in Indonesia have since attained near optimum levels. Further, revenue from third party logistics operations and coal handling have also stabilized.

Please take the same on your record.

Thanking You,

Yours faithfully,
For Mercator Limited


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Rajendra Kothari
Chief Financial Officer