

January 30, 2017

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

USD 16,000,000 4.75% Convertible Bonds Due 2019 ("The Bonds")

Re: Update on Oil Block

As you are aware, Mercator Petroleum Ltd. (MPL), one of the subsidiaries of the Company has been awarded 2 oil blocks in Cambay Basin under NELP VII by Government of India.

The Directorate General of Hydrocarbons has recently cleared Essentiality Certificate to facilitate procurement of material and services for future drilling campaign and accordingly MPL is aggressively taking steps to expedite the balance minimum work program in Cambay Basin. This will be in addition of 4 wells in CB 9 block which MPL has already finished.

Please acknowledge.

Thanking you,

Yours faithfully,
For Mercator Limited


Deepesh Joishar
Company Secretary

