

April 25, 2017



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: Update on Oil Blocks

Mercator Petroleum Limited (MPL), a subsidiary of the Company; engaged in an upstream Oil & Gas Exploration; today commenced drilling of new exploratory well Jyoti-5 in its Exploration Block CB-ONN-2005/9 in Cambay Basin, Gujarat.

The Block was awarded to MPL in December 2008 during NELP – VII bidding by Government of India with 100% participating interest. As a part of Minimum Work Program, MPL has already drilled four wells in the Block wherein oil discovery was made in the first two wells namely Jyoti-1 & 2. Jyoti-3 & 4 are yet to be tested. The current drilling campaign will complete the remaining Minimum Work Program in the coming few months.

Please acknowledge

Yours faithfully,
For **Mercator Limited**

A handwritten signature in black ink, appearing to read "Suhas Pawar", written over a horizontal line.

Suhas Pawar
Company Secretary