

January 15, 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

Mercator is pleased to announce that it has successfully resumed its coal operations at its mining site in Indonesia. As announced earlier, the operations were disrupted for a large part of the third quarter on account of change in management team.

The new management has now taken complete charge and expects operations to reach optimum levels by March 2018.

Please take the same on your record.

Thanking You,

Yours faithfully,

For Mercator Limited



**Suhas Pawar
Company Secretary**

