

August 29, 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: Updates on Oil Blocks

Dear Sir/Madam,

A step-down subsidiary of Mercator Limited, Mercator Petroleum Limited (MPL), Operator and 100% Participating Interest holder in block CB-ONN-2005/9 is pleased to announce that the Director General of Hydrocarbons (DGH) has reviewed its discoveries from its first two wells, Jyoti #1 & Jyoti #2, in Bharuch Area of Gujrat and concur with the operator that the discoveries are commercially viable.

MPL has commenced preparation of a detailed Field Development Plan (FDP) and will be submitting it to the DGH soon. MPL aims to start production from the wells once FDP is approved by DGH and all the statutory clearances are obtained.

DGH has also allowed MPL to conduct extended well test on one of the wells for around a month. During testing, MPL will be allowed to produce and sell the oil from the well as per the PSC guidelines.

MPL is carrying out further drilling in the block. Out of the drilling campaign of 5 wells, one well is already drilled, and drilling of another well is underway. This drilling campaign is expected to be completed by this financial year end.

Please take the same on your record.

Thanking You,

Yours faithfully,

For Mercator Limited



Suhas Pawar
Company Secretary