

December 9, 2016



To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code: 526235

To,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051.
Scrip Code: MERCATOR

Sub: Outcome of Board Meeting

Dear Sir,

This is to inform you that the Board of Directors of the Company at its meeting held today, has inter alia; approved the following:

1. Sale of Floating Production Unit of Mercator Offshore (P) Pte. Ltd., (MOPPL) a step down subsidiary of the Company. Pursuant to provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"); we give below the necessary disclosure:
 - (a) For the last financial year ended on March 31, 2016; MOPPL had revenue of ~USD 57.13mn (equivalent ~INR 375.28 cr) which contributed about 13.87% of the consolidated turnover of the Company. The net worth of MOPPL as on March 31, 2016 was ~USD 27.15mn (equivalent ~INR 180.12 cr) which represented about 21.15% consolidated networth of the Company.
 - (b) Date on which the agreements for sale have been entered into : Agreement to be entered
 - (c) The transaction is expected to be completed by : January 30, 2017
 - (d) Consideration to be received from such divestment: Not less than USD 76,000,000
 - (e) Brief details of the buyers: Oriental Energy Resources Ltd., Nigeria (Oriental)
Oriental is a co-venturer and production sharing partner of EBOK oil field in Nigeria where FPU is currently deployed.

Buyer does not belong to promoter/ promoter Group/ group companies.

- (f) The proposed sale is not a Related Party transaction.
- (g) It is not a slump sale.

The above sale is subject to approvals from the specified lenders, shareholders of the Company and further regulatory approval(s) as may be applicable.

Out of the proceeds of sale, the Company proposes to prepay debt of ~USD 72 mn.

2. Conducting of Postal Ballot to seek shareholders' approval for following matters
 - a) Sale of Floating Production Unit of Mercator Offshore (P) Pte. Ltd., a step down subsidiary of the Company.
 - b) Appointment of Mr. Prem Rajani as an Independent Director.

The meeting of the Board of Directors commenced at 2.00 p.m. and concluded at 5.20 p.m.

Please acknowledge.

Thanking you,

Yours faithfully,
For **Mercator Limited**

Deepesh Joishar
Company Secretary