



**Mercantile Ports & Logistics Ltd - MPL**  
Contract Win, Board Changes and Notice of AGM  
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**Mercantile Ports & Logistics Limited (the "Company")**  
**("MPL" or the "Company")**

**Contract Win, Board Changes and Notice of AGM**

***Contract win***

MPL, which is developing a modern port and logistics facility in Mumbai, India, is pleased to announce that it has entered into its first binding customer contract to manage cargo at its port facility (the "Contract").

Under the terms of the Contract, MPL will start receiving cargo on the Commercial Operations Date of the Facility, which is expected to occur during December 2017. MPL has signed the Contract with an Indian-based company for a five-year term, extendable by an additional two years. In the first year, MPL has contracted to handle two million tonnes of cargo (with a guaranteed minimum of 750,000 tonnes). In year two, this will increase to two and a half million tonnes (with a guaranteed minimum of one million tonnes), and to three million tonnes in year three (with a guaranteed minimum of two million tonnes). Under the terms of the contract, and at today's exchange rate, MPL expects to generate revenue of approximately GBP 4.7million for every one million tonnes handled, with a built-in escalation of 7 per cent per annum.

***Project Update***

The Company is pleased to report that 204 piles have now been completed out of a total of 248. This means that piles have been completed for approximately 325 meters of the 400-meter jetty. Pre-cast beams have been laid for approximately 130 meters of jetty, with top-deck slabs having been laid for approximately 90 meters. By December 2017, 200 meters of jetty (400 meters of quay length), which is sufficient to handle four 4,000 DWT vessels, is expected to be complete in all respects and ready for operations.

As previously reported, the Company reclaimed approximately 90 acres of land before the start of the monsoon, with additional reclamation material on site and being used for surcharging. Reclamation is expected to resume in September following the conclusion of the monsoon season. Approximately 50 acres of back up area to support jetty operations are expected to be available by December 2017.

### ***Opening Ceremony***

With the Facility expected to be operational during December this year, MPL is extremely honoured that the Chief Minister of Maharashtra, the Honorable Shri. Devendra Fadnavis, who is also the Chairman of the Maharashtra Maritime Board, has accepted the Company's invitation to be the Company's Chief Guest at the Official Opening Ceremony for the Facility. The ceremony is expected to take place before early January 2018 and a further update will be made once the specific date, convenient to a number of key attendees, has been coordinated and confirmed.

### ***Board Changes***

Having been with the Company for nearly 12 months as Head of Finance, Andrew Henderson joins the Board as Chief Finance Officer after the Company's upcoming AGM. Mr Henderson is a member of the ICAEW and has over 15 years' experience acting as an accountant and financial advisor to private and public companies, both in the UK and internationally. Previously, Mr Henderson worked at Deloitte and Grant Thornton before setting up his own consultancy practice.

The Company is also delighted to announce that John Fitzgerald will join the board as a non-executive director following the Company's AGM, bringing a background of commercial, operational, strategic planning, performance management and other experience to MPL. Mr Fitzgerald has significant port experience, having served as an Executive Director on the board of Associated British Ports, the UK's leading port operator, for over 12 years, and served alongside MPL director, Peter Jones, during that time. Mr Fitzgerald spent over 18 years in total with Associated British Ports, leading some of the UK's most significant port infrastructure projects developed in recent years, and heading up the Humber Ports, Associated British Port's largest operational division and the UK's busiest port complex. Mr Fitzgerald also recently served as Regional Chairman for the Confederation of British Industry.

The relevant AIM Rules disclosure for Mr Fitzgerald and Mr Henderson are set out below:

Mr Andrew William Henderson, aged 38, is currently a director of Henderson Accounting Consultants Limited. Mr John Bernard Fitzgerald, aged 54, is currently a director of John Fitzgerald Ltd.

Save as disclosed above, there is no further information required to be disclosed in accordance with Schedule Two, paragraph (g) of the AIM Rules.

The Company also announces that Madan Lal Meena will initially become advisor to the Board of MPL, and is expected to join the Board after receiving approval from the Government of India, which is a requirement for all who have served in the Indian Administrative Services. Mr Meena, has held high ranking positions within the Government of India, including as Joint Secretary Finance, as Principal Secretary Ministry of Environment and also as Director (Port Development) in the Ministry of Shipping. In particular, Mr Meena was Chairman of Kolkata Port Trust, the oldest operating Port in India and, prior to that, was Deputy Chairman of Haldia Dock complex. The relevant AIM Rules disclosure for Mr Meena will be made at the time of his appointment to the Board.

Having served as a non-executive Director at MPL for nearly seven years, Peter Jones has informed the board of his wish to retire, as he has also done recently as Chair of Milford Haven Port Authority, and Mr Jones will retire at the Company's upcoming AGM. Similarly, James Sutcliffe, having been a non-executive since the Company's IPO, will retire at this year's AGM.

The Company will continue to monitor the composition of the Board to ensure that there is the optimum blend of leadership, development, operational and corporate governance experience.

### **General**

MPL confirms that it has posted to its shareholders the Notice of Annual General Meeting and associated proxy forms. The AGM will be held at the registered office of the Company at Martello Court, Admiral Park, St. Peter Port, Guernsey, GY1 3HB on Wednesday 20 September 2017 at 14:00.

Nikhil Gandhi, Chairman of MPL, said, "We are privileged that the Honourable Chief Minister and other dignitaries across the State and Country have continued to support our project and, approximately three years since he inaugurated the project in December 2014, I look forward to welcoming the Honorable Chief Minister and dignitaries to the Opening Ceremony. Of course, we would be pleased to welcome any shareholders too.

I am delighted to welcome John Fitzgerald to the Board. John has a rare level of significant experience in both port development and port operations. We also look forward to benefitting from the breadth of experience and talent that M.L. Meena will bring to the Company. I have no doubt that his background as Chairman of one of India's largest and oldest ports will assist MPL significantly.

On behalf of myself and the rest of the Company, I would particularly like to thank James and Peter for their enormous contribution to MPL. Their experience was of great assistance, particularly when overcoming hurdles. They have played an important role in enabling the project to move into its operational phase and we wish them well. "

Pavan Bakshi, Managing Director, said, "Announcing our first contract win is another milestone for the Company and, with a number of negotiations currently taking place, others are expected to follow shortly."

Peter Jones said, "I retire from the Company as it approaches commencement of operations and I am confident that MPL will have an excellent facility in Karanja. I have enjoyed the challenge of being part the project from inception and leave a talented team who will take the business to its next phase. I wish the Company well."

John Fitzgerald stated, "I'm looking forward to joining the Board of MPL. I know the exciting opportunities that exist for MPL, and I am ready to play my part in helping to ensure that the Company makes a success of this impressive facility, which will be an asset to both the region and India as a whole."

**Enquiries:**

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