



13 September 2017

Australian Securities Exchange
10TH Floor, 20 Bridge Street
SYDNEY NSW 2000

via e-lodgement

Dear Sir/Madam

WRIT RECEIVED FROM GRANDBRIDGE LTD

MEC Resources Ltd (ASX: MMR) (the “Company”) has received a Writ of Summons on behalf of Grandbridge Ltd (ASX: GBA).

The writ was issued in the District Court of Western Australia, and asserts that payment should be made pursuant to a services agreement between the Company and Grandbridge Ltd that commenced in 2005, and was terminated in late 2016 **by Grandbridge Ltd.**

The Company has previously advised the market that it accepted Grandbridge Ltd’s repudiation of the services agreement following prevention of access to the Company’s offices in late 2016. Subsequently, the Company has been advised that no funds are owed to Grandbridge Ltd pursuant to this agreement.

Furthermore it should be noted that Grandbridge Ltd has been suspended from trading on the ASX since June 2017 due to its financial position. As its last reporting date it had 56k in the cash resources with a net loss of 22k forecast in operating expenditure for the quarter ending 30 September 2017.

The former directors of Grandbridge Ltd have issued statutory demands for payment of their directors’ fees. Grandbridge has brought applications in the Supreme Court of Western Australia to set aside those demands. In these proceedings, Grandbridge makes an identical and duplicitous claim against the former directors that the amounts the subject of this current legal proceeding are also owed by them.

The Company believes the claim is of no legal merit and the Company will strongly defend its position.

The Company will keep the market informed on progress of the legal proceeding.

Yours faithfully

A handwritten signature in black ink, appearing to read "Goh Hock", with a horizontal line extending to the right.

Mr Goh Hock
Chairman

MEC Resources Ltd

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