



19 September 2017

Dear Shareholder,

MEC Resources Ltd Share Purchase Plan

The Directors of MEC Resources Ltd (**Company**) are pleased to announce the offer of a Share Purchase Plan (“SPP”).

Proceeds raised through the SPP will principally be used to assist MEC’s subsidiary, Advent Energy Ltd, to progress further activities within Advent’s key exploration permits, including PEP11, EP386 and RL1. A portion of funds raised will be used to meet the working capital requirements of the Company and to meet the Company’s expenses of the issue (estimated at \$20,000). The Board is looking to diversify the Company’s investment portfolio in parallel with supporting Advent’s current exploration expenditure, and Advent’s desire to be more independent of the Company for capital.

The east coast gas supply story continues to dominate media and political policy discussion and Advent’s PEP11 title in the offshore Sydney Basin holds potential to provide a much needed source of domestic gas into the under-supplied NSW market. PEP11’s proximity to the coast and the gas infrastructure feeding Newcastle and Sydney is a critical factor in delivering commercial gas resources to market, in the event of successful exploration drilling. Proposed seismic data acquisition will aid in the most efficient appraisal, development and gas marketing of any future potentially commercial discovery.

Furthermore, the EP386 and RL1 permits (100% Advent) hold a number of gas discoveries, as well as an independently assessed contingent gas resource. These titles are located near the expanding region of Kununurra on the northern border of Western Australia and the Northern Territory. The region is home to numerous projects requiring individual energy or power solutions, including Argyle Diamond Mine, Project Sea Dragon (Seafarms Group’s significant aquaculture project of major project status across three Australian government jurisdictions), and the expanded Ord River Irrigation Area. Advent’s next planned program of work is a well intervention and testing operation ahead of the preparation of a formal development plan.

There have been a number of significant developments in Advent and its subsidiaries during 2017 and these have been detailed below for your consideration:

Petroleum Exploration Permit 11 (PEP 11)

Advent has been preparing to meet its permit commitment of a 2D seismic program over PEP 11 in the offshore Sydney Basin, adjacent to Newcastle-Sydney offshore New South Wales. Advent holds an 85% interest and is operator of the PEP11 project through its 100% owned subsidiary Asset Energy Pty Ltd.

Advent and joint venture partner Bounty Oil and Gas NL (15% interest in PEP11) presently have an obligation to perform a 200 line km 2D seismic survey in PEP11 comprising Year 2 of the 5 year work program committed to on PEP11. Advent has engaged Minev Services Pty Ltd to assist in delivering this work commitment. Geohazard identification is anticipated to be achieved as a result of this survey, which will contribute to the potential future drilling activities in PEP11.

In May-June 2017 a significant stakeholder consultation process was performed in advance of the seismic work commitment. This was a critical step in the development of the Environmental Plan (“EP”) as it was a prerequisite; prior to the submission of the formal EP document. Effective communication with all stakeholders, such as fisheries industries, environmental groups and government bodies, is necessary to ensure safe operations and effective environmental management during those operations. The EP is the critical documentation necessary to be submitted to the National Offshore Petroleum Safety and Environment Management Authority (“NOPSEMA”) to allow the seismic survey to proceed in PEP11 once approved.

In preparation for the EP, SLR Consulting were engaged to conduct an independent assessment of marine noise generated by the planned 2D seismic survey to consider potential impacts on marine fauna in the area of the 2D seismic survey.

MEC Resources Ltd

ACN 113 900 020

PO Box 882, West Perth, WA 6872

Suite 2, Level 3, 1111 Hay Street | West Perth | Western Australia | 6005

T: +61 8 9245 6187 F: +61 8 9200 6193

info@mecresources.com.au www.mecresources.com.au

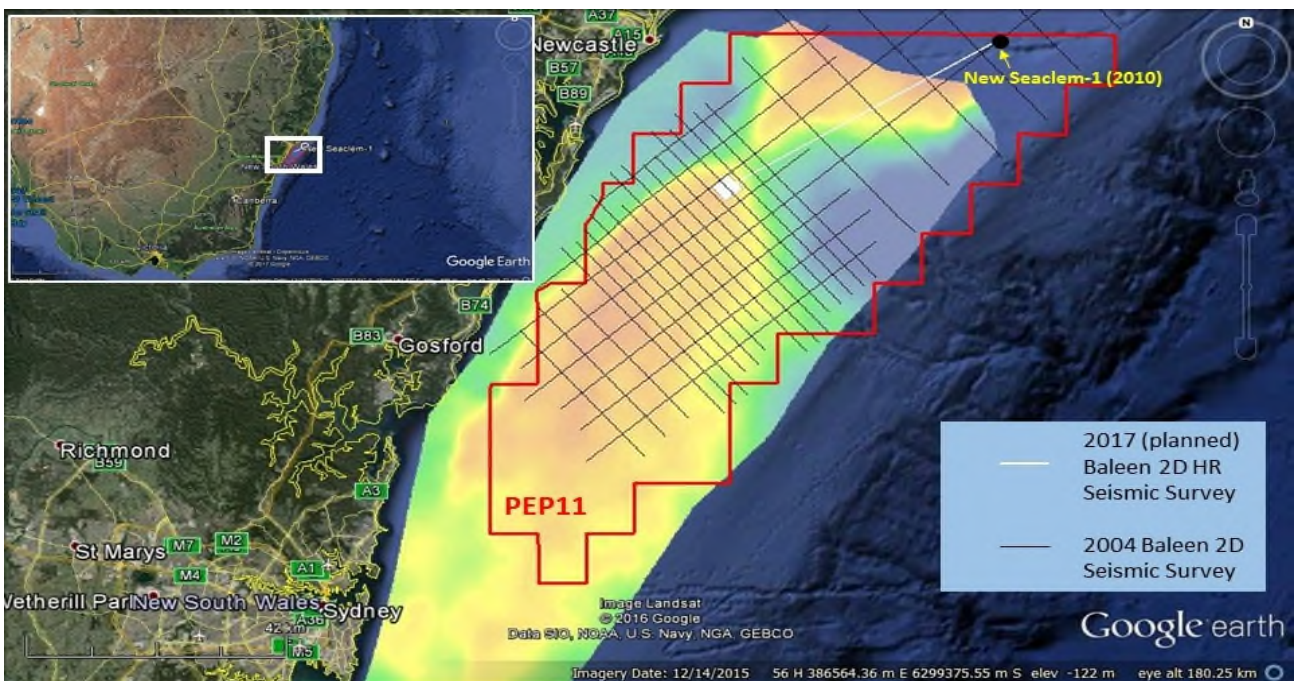


This demonstrated a very low impact of the planned operations on the marine environment. Advent has now sourced a suitable provider of navigation services to ensure a seamless integrated 2D seismic survey is performed. A suitable contract for these services will be developed prior to commencement of the planned survey.

Most notable though Advent submitted an EP to NOPSEMA for the planned 2D high resolution seismic survey in PEP11, offshore Sydney Basin on 4 July 2017. Timeframes to approval for seismic surveys averaged 125 days in 2016. However, through the noise modelling and stakeholder consultation undertaken to date, Advent is confident that its proposed seismic survey is of very low impact compared to other seismic surveys considered by NOPSEMA, and therefore optimistic that a shorter timeframe to approval will be achieved.

Advent has received initial assessment findings from NOPSEMA, and an opportunity to modify and resubmit the EP has been provided to Asset Energy Pty Ltd (wholly owned subsidiary of investee company Advent). Advent is addressing the findings and intends to resubmit a revised EP by 15 October 2017.

It is anticipated that the seismic campaign will commence later in 2017/early 2018. It is expected that the campaign will run for three to four days, and take place predominantly approximately 30km south east of Newcastle, New South Wales.



Exploration Permit 386 (EP386) and Retention Licence 1 (RL1)

Advent has received conditional regulatory approval for suspension of the permit work commitments and extension of the term of EP386 in the onshore Bonaparte Basin, Western Australia.

The approval from the Western Australian Department of Mines, Industry, Regulation and Safety (“DMIRS”, formerly the Department of Mines & Petroleum) allows the current EP386 work commitments to be completed by 31 March 2018, subject to regulatory approval and suitable funding.

Advent has provided a proposal to DMIRS for a well intervention program to satisfy regulatory requirements and gather data to assess the potential of the hydrocarbon accumulations encountered in its Waggon Creek-1 and Vienta-1 wells in EP386. Advent is also preparing a similar proposal to the Northern Territory Department of Primary Industry and Resources (DPIR) for Weaber-4 in RL1 in the Northern Territory. Following regulatory approval, it is anticipated that the 20-year-old original discovery wells in EP386 may be decommissioned.

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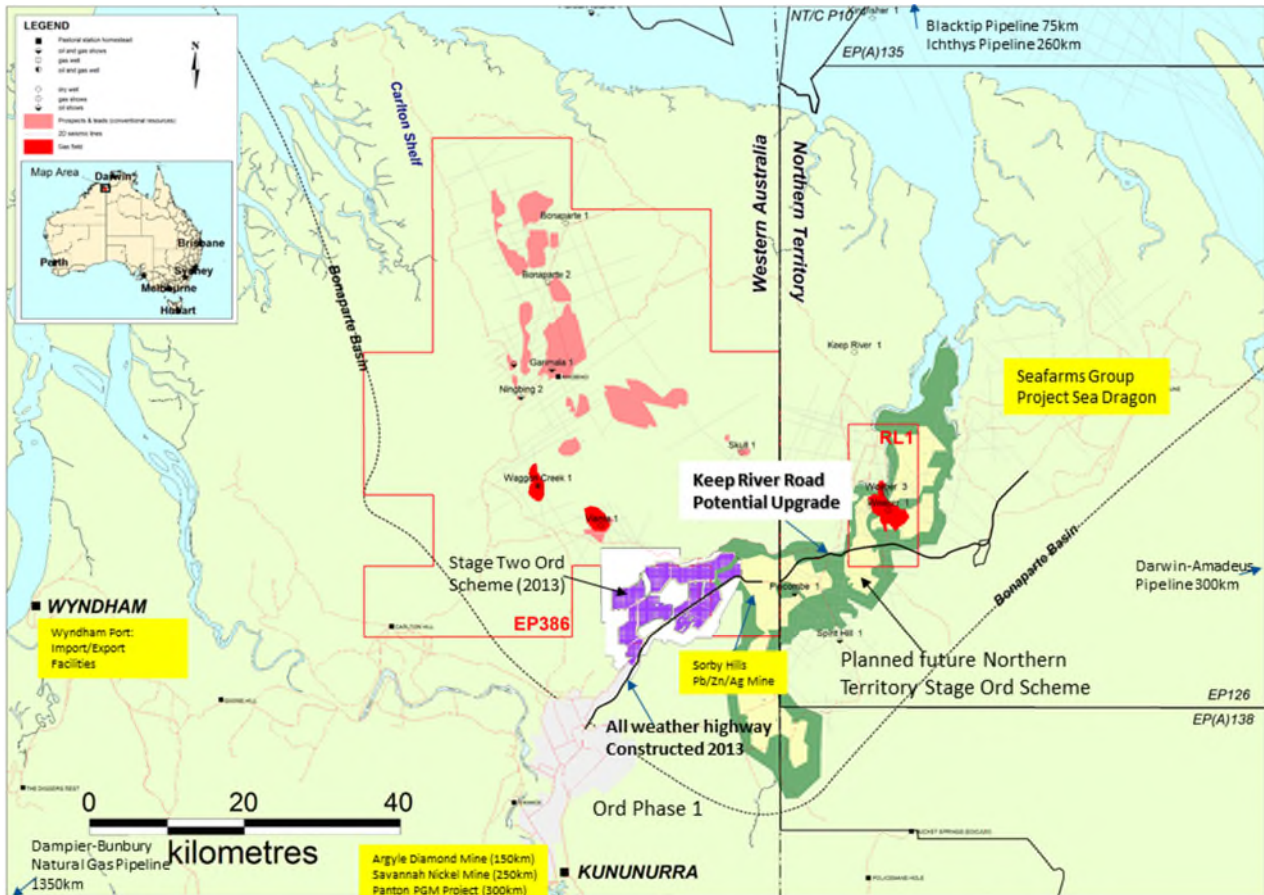
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The data from the proposed well interventions is anticipated to provide new support for the commercial potential of the hydrocarbon accumulations. Subsequently, where the additional data provides a positive assessment of the resources, the Company anticipates submitting a field development plan. Advent holds a 100% interest in each of EP386 and RL1 through wholly owned subsidiary Onshore Energy Pty Ltd.



EP386 & RL1 – Onshore Bonaparte Basin, Northern Australia

Technical Expertise of Advent Strengthened

A lack of technical experience within Advent and its subsidiaries was identified and a decision was made to bolster the Board during the year to ensure Advent had the skills it needed to progress its assets.

In doing so Mr Greg Channon and Ms Diana Hoff were appointed to the Board of Advent.

Mr Channon is a geologist with over 30 years of global oil and gas experience in a wide variety of technical and leadership roles. He is currently the Executive Chairman of RL Energy, and a Non-Executive Director of Samson Oil and Gas. Mr Channon’s experience includes engagement by international oil and gas companies in Australia, New Zealand, USA, Hong Kong, China and Africa.

During his career, Mr Channon has gained a vast range of diverse oil and gas expertise, including exploration, operations, development, production, economics and commercial negotiations and IPO start ups. He has sat on the board of directors of companies listed on the ASX, NYSE, TSX and HKSE.

Ms Hoff is a petroleum engineer with 30 years of international and Australian upstream oil and gas experience in technical and executive roles from drilling foreman to engineer, manager, general manager, vice president and CEO.

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Ms Hoff has held line accountability for drilling and completions for significant proportions of her career. She also has held corporate responsibility for environment, health and safety, major projects (up to \$18.5 billion), innovation, and development of engineering communities and engineering standards. She has participated in significant stakeholder engagement, media interviews and presentations to investors, regulators and public audiences.

Advent is extremely pleased to have been able to secure two such highly qualified and respected members to its board. All directors have reduced their fees to the nominal amount of \$1 and this arrangement will continue until further notice.

At the operational level Mr Matthew Battrick, a highly experienced geologist and company executive, was appointed to assist Advent in developing a strategic plan for its assets and subsequently implementing and achieving that plan. Mr Battrick is a proven oil and gas explorer as a leader of high-performing, multi-disciplinary teams. He has demonstrable success in resetting strategic direction at Board level and in delivering five-fold growth in shareholder value. In addition, he has worked successfully with or joint ventured with major and super major oil companies as well as ASX 100 companies. Mr Battrick has recently been appointed to act as Alternate Director to Mr Darryl Moore on the Board of MEC Resources Ltd.

A portion of funds raised will be used to meet the working capital requirements of the Company and to meet the Company's expenses of the issue (estimated at \$20,000).

Under the SPP, eligible shareholders (being shareholders registered at 5:00pm (WST) on Monday 18th September 2017 (**Record Date**) with an address in Australia or New Zealand) can purchase shares at a **20%** discount to the average market price of the Company's shares on the ASX calculated over the five trading days prior to and including the day on which the SPP shares are issued.

Each shareholder may apply for a maximum of \$15,000 worth of shares under the SPP. The offer is **strictly limited** to a maximum of 30% of the existing share capital and applications will be **accepted on a first received basis**.

Participation in the SPP is optional and the right to participate is not transferable.

The indicative timetable for the offer is attached for your reference. The offer document application form and detailed terms and conditions will be forwarded to eligible shareholders in accordance with the attached timetable (unless varied).

Kind regards

A handwritten signature in black ink, appearing to read 'Goh Hock', with a horizontal line underneath.

Goh Hock
Chairman

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MEC Resources Ltd Share Purchase Plan

Indicative Timetable

Key Dates*

Date	Details
Monday 18 th September 2017	Record Date 5:00pm (WST) The date on which the Company determined shareholders eligible to participate in the SPP, being shareholders registered on that date with an address in Australia or New Zealand.
Tuesday 19 th September 2017	Plan Announced
Thursday 21 st September 2017	Opening Date 9:00am (WST) The date the Plan opens.
Monday 23 rd October 2017	Closing Date The date on which the SPP closes. Applications and payments or BPAY® must be received by 5:00pm (WST).
Thursday 26 th October 2017	Issue Date The date shares are issued and any scaleback of the Shares to be issued under the SPP is announced.
Friday 27 th October 2017	Dispatch Date The date on which holding statements are sent to shareholders who subscribed for shares under the SPP.
Monday 30 th October 2017	Share Trading Date The date on which it is expected that shares will commence trading on the ASX.

The Company's directors reserve the right to vary the SPP closing date.

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