



1 November 2017

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

via e-lodgement

Dear Sir/Madam

PEP11 UPDATE

MEC Resources Ltd (ASX: MMR) is pleased to advise that its investee Advent Energy Ltd (“**Advent**”) has resubmitted its Environment Plan to for approval to undertake the planned 2D seismic survey in PEP11, offshore Newcastle, New South Wales.

The PEP11 project lies in the offshore Sydney Basin adjacent to the NSW coast, extending from Sydney to Newcastle and situated in Commonwealth waters. The PEP11 project comprises significant structural targets believed to hold material quantities of natural gas. Advent, through wholly owned subsidiary Asset Energy Pty Ltd, holds 85% and is operator of the permit. Bounty Oil and Gas NL holds the remaining 15%.

Advent is presently working towards undertaking a 200 line km 2D seismic survey in PEP11 in early 2018, having now resubmitted a modified Environment Plan (EP) to the National Offshore Petroleum Safety and Environmental Management Authority as requested by NOPSEMA. The resubmission of the EP was in accordance with the agreed timeframe with NOPSEMA, and utilised the specialist services of acoustic modelling, environmental consultants and geophysical expertise.

PEP11 is supremely located to potentially supply gas into the east coast gas market. Through export of Australian liquefied natural gas from Queensland, and political restriction of onshore gas exploration works in NSW and Victoria, considerable shortfall in gas supplies into the major east coast gas market has been forecast in the near future. Advent is working tirelessly to explore for, and potentially exploit, commercial gas accumulations to satisfy this market demand.

Yours faithfully

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

Mr Goh Hock
Chairman

MEC Resources Ltd

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