



21 June 2018

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

via e-lodgement

Dear Sir/Madam

MEC RESOURCES LTD – NON- RENOUNCEABLE ENTITLEMENTS ISSUE RESULTS

MEC Resources Limited ("MEC") is pleased to advise that the Non- Renounceable Rights Issue announced on 8 May 2018 closed on Friday 15 June 2018 with excellent support from shareholders.

MEC wishes to advise that eligible Shareholders subscribed for 54,972,288 Entitlement Shares at an issue price of 1.8 cents per share. In addition, 54,972,288 unquoted options will be granted, with those options being exercisable at 4c on or before the date that is 2 years from the date of grant of the options. Applications for 4,142,441 Shortfall Shares to be issued at a price of 1.8c per share and 4,142,441 unquoted options exercisable at 4c on or before the date that is 2 years from the date of grant of the options have also been received by the Company.

The total funds received from the issue of shares were \$1,064,065.

A further 76,858,137 Shortfall Shares may be placed at the discretion of the Directors within a three month period after the close of the Rights Issue.

Funds raised from this issue will be used to support the Company's investments, in particular, to support MEC investee Advent Energy in achieving the proposed well intervention program in EP386 in the onshore Bonaparte Basin, where Advent Energy is looking to commercialise its significant gas resources in this highly prospective basin.

Further funds raised will be used to support Advent Energy in final costs incurred associated with acquisition of its 2D seismic survey in PEP 11 which was recently completed in April 2018.

Funds will also be used for working capital purposes.

Allotment and issue of 59,114,729 fully paid ordinary shares in MEC (and the grant of that same number of options) is expected to take place on Friday 22 June 2018 with relevant documents also being dispatched to shareholders.

The Directors wish to thank all eligible shareholders for their continued support of MEC Resources and its activities.

Yours faithfully

A handwritten signature in black ink, appearing to read "Goh Hock", with a stylized flourish at the end.

Goh Hock
Chairman

MEC Resources Ltd

ACN 113 900 020
PO Box 882, West Perth, WA 6872
Level 3, Suite 2 1111 Hay Street, West Perth 6005, Western Australia
T: +61 8 9245 6187 F: +61 8 6160 5901
info@mecresources.com.au www.mecresources.com.au

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

MEC Resources Limited

ABN

44 113 900 020

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares
Unlisted options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 59,114,729 ordinary shares
59,114,729 unlisted options

(this is an update of the information contained in the Appendix 3B released on 8 May) |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 3 Principal terms of the ⁺securities (e.g. if options, exercise price and expiry date; if partly paid ⁺securities, the amount outstanding and due dates for payment; if ⁺convertible securities, the conversion price and dates for conversion)

Ordinary shares offered under 1:2 non renounceable entitlements offer

Unlisted options to be granted for nil consideration, at an exercise price of \$0.04 per option, exercisable at any time up to the date that is 2 years after the date of the option grant

⁺ See chapter 19 for defined terms.

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes, the ordinary shares will rank equally with the Company's existing quoted fully paid ordinary shares.</p> <p>No, the unlisted options do not rank equally with an existing class of quoted security. However, the ordinary shares granted on exercise of the unlisted options will rank equally with the Company's existing quoted fully paid ordinary shares.</p>
5	Issue price or consideration	<p>\$0.018 per share</p> <p>Nil consideration per unlisted option</p>
6	<p>Purpose of the issue</p> <p>(If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Funds raised from the issue of shares will be used:</p> <ul style="list-style-type: none"> • to support MEC Investee Advent Energy in achieving the proposed well intervention program; • to support MEC investee Advent Energy in the final costs incurred associated with acquisition of its 2D seismic survey in PEP 11 which was recently completed in April 2018 and; • for working capital purposes
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	No
6b	<p>The date the security holder resolution under rule 7.1A was passed</p>	N/A

+ See chapter 19 for defined terms.

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New issue announcement

6c	Number of +securities issued without security holder approval under rule 7.1	Nil
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of +securities issued under an exception in rule 7.2	59,114,729 ordinary shares 59,114,729 unlisted options
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Refer to Annexure 1
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	22 June 2018

+ See chapter 19 for defined terms.

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	331,060,460	Ordinary fully paid shares

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	Unlisted Options 950,000	Options- expiry date 30 June 2018 and exercise price \$0.10
	2,400,000	Options- expiry date 31 March 2020 and exercise price \$0.06
	59,114,729	Options exercisable at any time up to 2 years after the date of grant of the options and exercise price of \$0.04(22 June 2018)

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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Part 2 - Pro rata issue

11 Is security holder approval required?	NA
12 Is the issue renounceable or non-renounceable?	NA
13 Ratio in which the +securities will be offered	NA
14 +Class of +securities to which the offer relates	NA
15 +Record date to determine entitlements	NA

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
NA	NA	NA
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7-7.</small>	NA
19	Closing date for receipt of acceptances or renunciations	NA
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	NA
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A

+ See chapter 19 for defined terms.

28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Issue date	NA

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought N/A
- 39 +Class of +securities for which quotation is sought N/A
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? N/A
- If the additional +securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 41 Reason for request for quotation now N/A
- Example: In the case of restricted securities, end of restriction period
- (if issued upon conversion of another +security, clearly identify that other +security)

Number	+Class
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+ See chapter 19 for defined terms.

42 Number and +class of all
+securities quoted on ASX
(including the +securities in clause
38)

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Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 20 June 2018

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

(Director/Company secretary)

Print name: Deborah Ambrosini
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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	222,823,227
Add the following: <ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval Number of partly paid +ordinary securities that became fully paid in that 12 month period <p>Note:</p> <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	<p>Exception 1</p> <p>22 June 2018 – 59,114,729</p> <p>Exception 3</p> <p>30 June 2017 – 300,000</p> <p>26 July 2017 – 300,000</p> <p>Exception 15</p> <p>9 November 2017 – 30,851,978</p>
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	313,389,934

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	47,008,490
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 Note: <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	22 November 2017 – 1,594,595 18 December 2017 – 215,217 29 December 2017 – 1,100,000 8 January 2018 – 475,000 18 January 2018 – 14,285,714
“C”	17,670,526
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	47,008,490
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	17,670,526
Total [“A” x 0.15] – “C”	29,337,964 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	N/A
Step 2: Calculate 10% of “A”	
“D” 	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	N/A
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	Nil
“E”	Nil

+ See chapter 19 for defined terms.

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Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	N/A
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.10] – “E”	N/A <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.