

2 October 2020

### **ADVENT & ASSET WRITS - STANDSTILL**

The Directors of MEC Resources Limited (**MEC** or the **Company**) (ASX: MMR) advise that it has entered into a standstill agreement with both Advent Energy Pty Ltd (**Advent**) and Asset Energy Pty Ltd (**Asset**) in relation to writs and demands issued by both Advent and Asset the effect of which is to allow the parties time to negotiate a resolution of the pending claims.<sup>1 2 3</sup>

With the recent board changes in MEC the directors have opened up dialogue with both Advent and Asset which has brought about the standstill agreement.

The key terms in relation to the standstill agreement are as follows:

1. Advent/Asset reserve all rights in respect of the actions including the right to apply for summary judgment
2. MEC would not file defences in the actions
3. No party would take any issue with time periods required under court rules relating to the filing of defences or the making of a summary judgment application
4. If the actions are not resolved, then the parties are to give 21 days' notice of the standstill period ending

The Company has been in the process of obtaining legal advice and inputs from the auditors in respect of the claims made in the writs.

This announcement has been approved by the Board of Directors of MEC.

Doug Verley  
Director  
MEC Resources Ltd

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<sup>1</sup> ASX release 25 June 2020 – MEC disputes claims by Advent and Asset

<sup>2</sup> ASX release 27 August 2020 – MEC receives writ of summons

<sup>3</sup> ASX release 8 September 2020 – MEC receives writ of summons