



21st June 2017

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

via e-lodgement

Dear Sir/Madam

NOTICE UNDER 203D OF THE CORPORATIONS ACT

MEC Resources Ltd (ACN 113 900 020) (**Company**) notes the ASX announcement released by Grandbridge Ltd (ASX: GBA) dated 20 June 2017 in relation to the purported giving of notice by GBA and certain associated persons to the Company under Section 203D of the *Corporations Act 2001* (Cth) (**Corporations Act**).

The Company is considering whether the purported notice under s203D of the Act was validly given to the Company, and whether it constitutes a valid notice under that section.

No meeting of the Company's shareholders has been convened at this time, and the Company has not received a requisition to convene a meeting. Consequently, **no action is required at this time by MMR shareholders.** GBA's ASX announcement simply advises of an intent to convene a meeting of the Company's shareholders under s249F of the Corporations Act.

Your Company notes that GBA's last publicly released cash position described only approximately \$2,000 in its bank accounts. In addition, GBA has been suspended from trading on the ASX since 1 June 2017, with a market capitalisation prior to suspension of approximately \$0.6 million.

Furthermore, the Board wishes to advise shareholders that all the resolutions proposed in GBA's announcement for appointment of new directors and removal of incumbent directors have already been put to the Company's shareholders for consideration earlier this year. As such, the Company considers that any subsequent convening or requisitioning of a meeting by GBA and its associates to consider these same matters will not be for a proper purpose. Subject to legal advice, the Company intends to take the necessary action(s) to prevent any such further meeting from being held and further disrupting the Company's ongoing operations.

The director appointments described in GBA's ASX announcement were put to the Company's shareholders at the extraordinary general meeting held on 16 February 2017, and were rejected at that meeting, as advised to the ASX on 16 February 2017:

Resolution	Result
Appointment of Thomas Fontaine as a Director	Rejected – 56.98% of your Company's voting shareholders voted against this resolution
Appointment of Anthony Huston as a Director	Rejected – 56.98% of your Company's voting shareholders voted against this resolution

MEC Resources Ltd

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The director removals described in GBA's ASX announcement were put to the Company's shareholders at the extraordinary general meeting held on 9 March 2017, and were rejected at that meeting as advised to the ASX on 9 March 2017:

Resolution	Result
Removal of Mr Hock Goh as a Director	Rejected – 86.38% of your Company's voting shareholders voted against this resolution
Removal of Mr K O Yap as a Director	Rejected – 86.37% of your Company's voting shareholders voted against this resolution
Removal of Ms Deborah Ambrosini as a Director	Rejected – 88.15% of your Company's voting shareholders voted against this resolution
Removal of Mr Heng Yu as a Director	Rejected – 86.36% of your Company's voting shareholders voted against this resolution

The Board welcomes shareholders' comments and feedback. Please do not hesitate to call the Company on +61 8 9245 6187 or email us at info@mecresources.com.au.

Yours faithfully

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

Goh Hock
Chairman

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