



6 June 2018

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

via e-lodgement

Dear Sir/Madam

NOTICE OF GENERAL MEETING

MEC Resources Ltd (ACN 113 900 020) (**Company**) hereby provides the attached Notice of General Meeting of your Company.

The notice is issued pursuant to the *Corporations Act 2001* (Cth), following receipt of a notice under S249D of the Act as announced recently to the ASX. MEC Resources is obliged to convene this meeting following receipt of this notice.

This meeting has not been instigated by the Company.

The notice was received from 15 small shareholders in MEC Resources Ltd ("MEC" or the "Company") - Protax Nominees Pty Ltd, Anstey Superannuation Fund Pty Ltd, Paul Anstey & Co Pty Ltd, Paul Emile Richards Anstey and Mrs Katherine Jean Anstey, Steven Craig James, Roger Julian Glyn Davenport and Mrs Frances Davenport, AVCO Pty Ltd, Mr Valentine Durnin, Mr Valentine Durnin and Mrs Pauline Durnin, Ms Claire Durnin, Mr Peter Durnin and Mr Joseph Durnin, Avatar Energy Pty Ltd, Kinetas Pty Ltd, Superfold Pty Ltd, Mr Thomas Andrew Keith Wilson and Mr David Booth & Mrs Tracey Booth who, in aggregate, hold approximately 6.2% of MEC's share capital.

Your Directors have received information confirming that **Mr Breeze, once again, is associated with this new meeting request.**

Your Board are unanimous in recommending all shareholders to vote AGAINST ALL RESOLUTIONS proposed in this notice.

To assist shareholders in completing their voting forms, your Board has provided the following recommended voting response as detailed in the table overleaf.

The Board has also prepared a Company update and statement regarding the section 249D notice, which has been posted on the Company's website <http://www.mecresources.com.au/statement-of-directors/>.

The Company strongly encourages all shareholders to review this statement prior to returning your voting forms.

We note that we have already received a large amount of support from existing shareholders, which support the Board greatly appreciates.

MEC Resources Ltd

ACN 113 900 020

PO Box 882, West Perth, WA 6872

Suite 2, Level 3, 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



The Board continues to welcome 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 extending from the end.

Goh Hock
Chairman

Resolution	Recommended Vote
Resolution 1 – Appointment of Thomas Fontaine as a Director	AGAINST
Resolution 2 – Appointment of Albert Grincerì as a Director	AGAINST
Resolution 3 – Appointment of Peter Richards as a Director	AGAINST
Resolution 4 – Removal of Mr Hock Goh as a Director	AGAINST
Resolution 5 – Removal of Mr KO Yap as a Director	AGAINST
Resolution 6 – Removal of Ms Deborah Ambrosini as a Director	AGAINST
Resolution 7 – Removal of Mr Heng Yu as a Director	AGAINST
Resolution 8 – Removal of Mr Darryl Moore as a Director	AGAINST

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ACN 113 900 020

NOTICE OF MEETING, EXPLANATORY MEMORANDUM AND PROXY FORM

Meeting to be held at

**Moore Stephens
Level 7
9 Castlereagh Street
Sydney NSW 2000**

on

Tuesday, 10 July 2018

at 2:00 pm (AEST)

**The Board of MEC Resources Ltd recommends that all
Shareholders vote, and will be voting all the Shares they hold:**

AGAINST all eight resolutions

This is an important document that requires your immediate attention.

You should read this document in its entirety before deciding whether or not to vote for or against any resolution at the General Meeting. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

If you have questions about the General Meeting or the resolutions to be voted on, please call Deborah Ambrosini of MEC on 08 9245 6187.

NOTICE OF GENERAL MEETING AND AGENDA

Notice is hereby given that a general meeting of MEC Resources Ltd (“MEC” or the “Company”) will be held at Moore Stephens, Level 7, 9 Castlereagh Street, Sydney NSW 2000 on Tuesday, 10 July 2018 commencing at 2:00 pm Australian Eastern Standard Time (“AEST”) (“Meeting”).

The Explanatory Memorandum that accompanies and forms part of this Notice of General Meeting provides additional information on matters to be considered at the Meeting. The Proxy Form also forms part of this Notice of General Meeting.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 2:00 pm AEST on Sunday, 8 July 2018.

Shareholders are urged to vote by attending the Meeting in person or by returning a completed Proxy Form. Instructions on how to complete the Proxy Form are set out in the Explanatory Memorandum.

Proxy Forms must be received by no later than 2:00 pm AEST on Sunday, 8 July 2018.

Terms and abbreviations used in this Notice of General Meeting and Explanatory Memorandum are defined in the Glossary of the Explanatory Memorandum.

Shareholders should read the Explanatory Memorandum before deciding how to vote.

AGENDA

Resolution 1: Election of Director - Mr Thomas Fontaine



To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“That Mr Thomas Fontaine be appointed as a director of the Company.”

Your Directors recommend you **vote AGAINST** this resolution.

The Chairman intends to vote all undirected proxies **against** Resolution 1.

Resolution 2: Election of Director - Mr Albert Grincer



To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“That Mr Albert Grincer be appointed as a director of the Company.”

Your Directors recommend you **vote AGAINST** this resolution.

The Chairman intends to vote all undirected proxies **against** Resolution 2.

Resolution 3: Election of Director - Mr Peter Richards



To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“That Mr Peter Richards be appointed as a director of the Company.”

Your Directors recommend you **vote AGAINST** this resolution.

The Chairman intends to vote all undirected proxies **against** Resolution 3.

Resolution 4: Removal of Director - Mr Hock Goh



To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“That Mr Hock Goh be removed as a director of the Company.”

Your Directors recommend you vote AGAINST this resolution.

The Chairman intends to vote all undirected proxies **against** Resolution 4.

Resolution 5: Removal of Director - Mr Kah Ong Yap



To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“That Mr Kah Ong Yap be removed as a director of the Company.”

Your Directors recommend you vote AGAINST this resolution.

The Chairman intends to vote all undirected proxies **against** Resolution 5.

Resolution 6: Removal of Director - Ms Deborah Leonie Ambrosini



To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“That Ms Deborah Leonie Ambrosini be removed as a director of the Company.”

Your Directors recommend you vote AGAINST this resolution.

The Chairman intends to vote all undirected proxies **against** Resolution 6.

Resolution 7: Removal of Director - Mr Heng Yu



To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“That Mr Heng Yu be removed as a director of the Company.”

Your Directors recommend you vote AGAINST this resolution.

The Chairman intends to vote all undirected proxies **against** Resolution 7.

Resolution 8: Removal of Director - Mr Darryl Robert Moore



To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“That Mr Darryl Robert Moore be removed as a director of the Company.”

Your Directors recommend you vote AGAINST this resolution.

The Chairman intends to vote all undirected proxies **against** Resolution 8.

Proxies, attorneys and corporate representatives

A member entitled to attend and vote at the general meeting may appoint a proxy, attorney or representative to give its vote and, if entitled to cast two or more votes, is entitled to appoint no more than two proxies. If two proxies are appointed, each proxy may be appointed to represent a specified proportion of the member's voting rights. If such proportion is not specified, each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded. A proxy may, but need not be, a member of the Company and a member may appoint an individual or a body corporate to act as its proxy.

The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, executed in accordance with the Corporations Act.

For the convenience of Shareholders, two proxy forms have been included with this Explanatory Memorandum, a green proxy form and a white proxy form.

The green proxy form has been completed in line with the recommendation of your Directors and has been paid for by them out of their personal funds. If you wish to vote in accordance with the recommendations of your Directors, **you should execute the green proxy form and return it in accordance with the instructions on the form.** If you execute and return the green proxy form, you do not need to complete the white proxy form.

If you want to appoint a proxy and do not wish to vote in accordance with the recommendations of your Directors, you should follow the instructions on the white proxy form to indicate your voting directions and return it following the instructions on the form.

Proxy forms and, if applicable, the powers of attorney (or a certified copy of the powers of attorney) under which they are signed must be lodged directly by the member making the appointment at least 48 hours before the appointed time of the meeting. The Company will accept any appointment of a proxy that complies with the requirements of section 250A of the Corporations Act.

Lodgment details for proxy forms are as follows:

Post	MEC Resources Ltd c/- Advanced Share Registry Ltd PO Box Q1736 New South Wales 1230
Hand Delivery	Advanced Share Registry Suite 8H 325 Pitt Street Sydney NSW 2000
Facsimile	(08) 9200 6193 (within Australia) +618 9200 6193 (from overseas)
Email	sydney@advancedshare.com.au

Voting

The Chairman intends to put each Resolution that is moved at the Meeting to a poll. Voting results will be announced to the ASX as soon as practicable after the Meeting.

Entitlement to attend and vote

All Shareholders may attend the General Meeting.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company at 2:00 pm AEST on Sunday, 8 July 2018. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

ASX

A final copy of this Notice of Meeting and Explanatory Memorandum has been lodged with ASX. Neither ASX nor any of its respective officers takes any responsibility for the contents of this document.

By order of the Board:



Deborah Ambrosini

Director & Company Secretary

Dated: 6 June 2018

EXPLANATORY MEMORANDUM

Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the General Meeting of the Company to be held at Moore Stephens, Level 7, 9 Castlereagh Street, Sydney NSW, on Tuesday, 10 July 2018 commencing at 2:00 pm (AEST).

The purpose of this Explanatory Memorandum is to explain the background to the General Meeting and the Resolutions, and to provide information that your Directors consider is material to Shareholders in relation to the Resolutions.

The Company recommends that Shareholders read this Explanatory Memorandum and the enclosed Directors' statement before making any decisions in relation to the Resolutions.

Background to special business being put to the Meeting

On 14 December 2017, 15 small registered shareholders in MEC – Protax Nominees Pty Ltd, Anstey Superannuation Fund Pty Ltd, Paul Anstey & Co Pty Ltd, Paul Emile Richards Anstey and Mrs Katherine Jean Anstey, Steven Craig James, Roger Julian Glyn Davenport and Mrs Frances Davenport, AVCO Pty Ltd, Mr Valentine Durnin, Mr Valentine Durnin and Mrs Pauline Durnin, Ms Claire Durnin, Mr Peter Durnin and Mr Joseph Durnin, Avatar Energy Pty Ltd, Kinetas Pty Ltd, Superfold Pty Ltd, Mr Thomas Andrew Keith Wilson and Mr David Booth & Mrs Tracey Booth (the "Requisitionists") – of the Company's nearly 2,800 shareholders, representing at that time approximately 5% of MEC's capital, lodged with MEC a notice under section 203D of the *Corporations Act 2001* (Cth) ("Corporations Act") calling for the removal of each of the Company's Directors.

On 16 May 2018, the Requisitionists, at that time representing approximately 6.2% of MEC's capital, lodged with MEC a notice under section 249D of the Corporations Act requesting the Company convene a meeting of Shareholders to consider resolutions for the removal of the Company's Directors and also for the election of Messrs Thomas Fontaine, Albert Grincer and Peter Richards.

The impact of the two notices is that MEC is obliged to call a meeting of the shareholders of the Company to consider resolutions to elect as Directors Messrs Thomas Fontaine, Albert Grincer and Peter Richards, and to remove as Directors Messrs Goh, Yap, Yu and Moore, and Mr Ambrosini – that is to say, all the Company's current Directors.

You will be aware that Mr Thomas Fontaine was unsuccessful in his attempt to be appointed to the Board of MEC at a meeting in 2017 following nomination by Mr David Breeze and his associates. Mr Breeze and Mr Fontaine were both Directors on MEC investee BPH Energy Ltd until recently. Mr Fontaine was a Director of BPH Energy when BPH refused to repay the outstanding debt owed to the Company. As a result, the Company has commenced legal proceedings to recover this debt. The amount currently owing by BPH Energy Ltd to MEC is in excess of \$400K including interest.

The Company is yet see any evidence that the appointment of the nominee directors will be of any benefit to the Company and all its shareholders.

The Requisitionists previously advised of their intention to pursue a meeting of the Company's shareholders under section 249F of the Act. A meeting held pursuant to section 249F of the Act must be paid for by the requisitioning party, and not the company. It should be noted that the Requisitionists have now chosen to request a meeting pursuant to S249D which will require the Company, and not the Requisitionists, to pay all of the expenses associated with calling and holding this meeting.

Furthermore, the Company remains concerned that the Requisitionists' actions again appear to be strategically timed to coincide with current positive actions of the Company.

In compliance with the above, the Company has included in the Notice of General Meeting the following items of special business:

- Resolution 1 – Election of Mr Thomas Fontaine as a Director
- Resolution 2 – Election of Mr Albert Grincerì as a Director
- Resolution 3 – Election of Mr Peter Richards as a Director
- Resolution 4 – Removal of Mr Hock Goh as a Director
- Resolution 5 – Removal of Mr Kah Ong Yap as a Director
- Resolution 6 – Removal of Ms Deborah Leonie Ambrosini as a Director
- Resolution 7 – Removal of Mr Heng Yu as a Director
- Resolution 8 – Removal of Mr Darryl Robert Moore as a Director

Your Directors recommend you vote **AGAINST** all Resolutions.

Voting by the majority of the Shareholders in accordance with the recommendation of your Directors will result in a Board comprising **Hock Goh, Kah Ong Yap, Deborah Ambrosini, Heng Yu and Darryl Moore** (i.e. retention of the current Board).

Voting by the majority of the Shareholders contrary to the recommendation of your Directors will result in a Board comprising Thomas Fontaine, Albert Grincerì and Peter Richards (i.e. three new Directors).

Frequently asked questions

On what basis has the General Meeting been called and the resolutions been requested?	Any shareholder (or group of shareholders) holding more than 5% of the Company's issued capital is entitled to call and arrange to hold a general meeting to have resolutions considered. All Resolutions are being put before the Meeting as a result of a request from the Requisitionists who, in aggregate, hold more than 5% of the Company's Shares.
Why do the Requisitionists wish to replace on the Board Mr Goh, Mr Yap, Ms Ambrosini, Mr Yu and Mr Moore with Messrs Fontaine, Grincerì and Richards?	The Requisitionists have provided a statement under section 249P of the Corporations Act ("Member's Statement") which accompanies this Explanatory Memorandum and which sets out their reasons for seeking to replace on the Board Mr Goh, Mr Yap, Ms Ambrosini, Mr Yu and Mr Moore with Messrs Fontaine, Grincerì and Richards. The information in this statement is highly contradictory and no evidence has been provided by the requisitionists as to how they intend to perform any of their stated intentions.
Why do your Directors recommend you vote against all Resolutions?	Your Directors recommend you vote AGAINST all Resolutions put forward by the Requisitionists for the reasons set out in the Directors' statement to Shareholders, which accompanies this Explanatory Memorandum. A copy can also be found at http://www.mecresources.com.au/statement-of-directors/

Further information

If you have questions about the General Meeting or the resolutions to be voted on, please call the Company Secretary, Deborah Ambrosini, on 08 9245 6187.

Important dates and times

Record time/date to determine Shareholders eligible to vote	2:00 pm (AEST) on Sunday, 8 July 2018
Last time/date for receipt of valid proxies	2:00 pm (AEST) on Sunday, 8 July 2018
Meeting	2:00 pm (AEST) on Tuesday, 10 July 2018

Nature of resolutions

All of the resolutions are ordinary resolutions, meaning they can be passed by a simple majority of votes cast by Shareholders entitled to vote.

Special Business

Resolution 1 – Election of Director – Mr Thomas Fontaine

Resolution 1 relates to the election of Mr Thomas Fontaine as a Director.

The Requisitionists have provided information concerning Mr Fontaine in the Requisitionists' Member's Statement which accompanies this Explanatory Memorandum.

Your Directors are not able to independently verify such information, nor are they aware of any skills he may be able to bring to the Company.

Information as to why your Directors recommend Shareholders vote **against**, and will be voting their Shares **against**, the election of Mr Fontaine is set out in detail in the statement of your Directors which accompanies this Notice of Meeting. **A copy can also be found at <http://www.mecresources.com.au/statement-of-directors/>**



Your Directors do not support this Resolution and will be voting their Shares AGAINST the election of Mr Fontaine as a Director.

Resolution 2 – Election of Director – Mr Albert Grincerì

Resolution 2 relates to the election of Mr Albert Grincerì as a Director.

The Requisitionists have provided information concerning Mr Grincerì in the Requisitionists' Member's Statement which accompanies this Explanatory Memorandum.

Your Directors are not able to independently verify such information, nor are they aware of any skills he may be able to bring to the Company.

Information as to why your Directors recommend Shareholders vote **against**, and will be voting their Shares **against**, the election of Mr Grincerì is set out in detail in the statement of your Directors which accompanies this Notice of Meeting. **A copy can also be found at <http://www.mecresources.com.au/statement-of-directors/>**



Your Directors do not support this Resolution and will be voting their Shares AGAINST the election of Mr Grincerì as a Director.

Resolution 3 – Election of Director – Mr Peter Richards

Resolution 3 relates to the election of Mr Peter Richards as a Director.

The Requisitionists have provided information concerning Mr Richards in the Requisitionists' Member's Statement which accompanies this Explanatory Memorandum.

Your Directors are not able to independently verify such information, nor are they aware of any skills he may be able to bring to the Company.

Information as to why your Directors recommend Shareholders vote **against**, and will be voting their Shares **against**, the election of Mr Richards is set out in detail in the statement of your Directors which accompanies this Notice of Meeting. **A copy can also be found at <http://www.mecresources.com.au/statement-of-directors/>**



Your Directors do not support this Resolution and will be voting their Shares AGAINST the election of Mr Richards as a Director.

Resolution 4 – Removal of Director - Mr Hock Goh

Resolution 4 relates to the removal of Mr Hock Goh as a Director.

Mr Goh is the Non-Executive Chairman of the Company. He was appointed as a Director on 17 November 2006.

Mr Goh has enjoyed a distinguished career in the oil and gas industry, covering many senior positions and working in multiple countries. Mr Goh is an Australian Permanent Resident.

An engineer by training, Mr Goh started in the industry as an oil field services engineer working on drilling rigs. His working career spanned 25 years with Schlumberger, the world's largest oil and gas field services organisation. He was formerly President of Network and Infrastructure Solutions, a Division of Schlumberger, with annual revenue of in excess of US\$1.5 billion. Prior to that, he was President of Schlumberger, Asia where he managed all the company's oil field services and related activities throughout Asia.

Mr Goh currently sits on the boards of Santos Limited, Stora Enso Oyj, AB SKF and Versuvius PLC. These are multi billion market cap companies sitting on various European Stock Exchanges.

He has a relevant interest in 8,486,191 Shares in the Company.

Information as to why your Directors, Mr Goh abstaining, recommend Shareholders vote **against**, and will be voting their Shares **against**, the removal of Mr Goh is set out in detail in the statement of your Directors which accompanies this Notice of Meeting. A copy can also be found at <http://www.mecresources.com.au/statement-of-directors/>



Your Directors do not support this Resolution and will be voting their Shares AGAINST the removal of Mr Goh as a Director.

Resolution 5 – Removal of Director – Mr Kah Ong Yap

Resolution 5 relates to the removal of Mr Kah Ong Yap as a Director.

Mr Yap was appointed as a Non-Executive Director on 1 December 2005.

Mr Yap is a highly experienced investment banker, covering all aspects of corporate finance, advisory, mergers and acquisitions, and capital raisings, with experience in many countries.

He recently established Hexa Asset Management in Hong Kong, prior to which he was Head of Corporate Finance at Daiwa Securities (H.K.) Ltd, Executive Director at Alta Financial Group and founder of Eton Advisory Services.

Previously, Mr Yap worked with Ernst & Young in London in audit and advisory functions.

He has an interest in 7,273,035 Shares in the Company.

Information as to why your Directors, Mr Yap abstaining, recommend Shareholders vote **against**, and will be voting their Shares **against**, the removal of Mr Yap is set out in detail in the statement of your Directors which accompanies this Notice of Meeting. A copy can also be found at <http://www.mecresources.com.au/statement-of-directors/>



Your Directors do not support this Resolution and will be voting their Shares AGAINST the removal of Mr Yap as a Director.

Resolution 6 – Removal of Director – Ms Deborah Leonie Ambrosini

Resolution 6 relates to the removal of Ms Deborah Leonie Ambrosini as a Director.

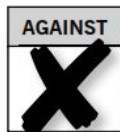
Ms Ambrosini, who is also the Company's Company Secretary, was appointed as a Director on 15 February 2010.

Ms Ambrosini is a Fellow of Chartered Accountants Australia and New Zealand with more than 20 years' experience in accounting and business development spanning a range of business sectors.

Ms Ambrosini has extensive experience both nationally and internationally in financial and business planning, compliance and taxation.

She has an interest in nil Shares in the Company.

Information as to why your Directors, Ms Ambrosini abstaining, recommend Shareholders vote **against**, and will be voting their Shares **against**, the removal of Ms Ambrosini is set out in detail in the statement of your Directors which accompanies this Notice of Meeting. A copy can also be found at <http://www.mecresources.com.au/statement-of-directors/>



Your Directors do not support this Resolution and will be voting their Shares AGAINST the removal of Ms Ambrosini as a Director.

Resolution 7 – Removal of Director – Mr Heng Yu

Resolution 7 relates to the removal of Mr Heng Yu as a Director.

Mr Yu was appointed as a Non-Executive Director on 24 November 2016.

Mr Yu, who holds a Bachelor Degree in Geology, has more than 25 years' experience in the oil and gas industry.

A Senior Geologist, Mr Yu brings to MEC advances skills in a range of disciplines including reservoir analysis, geologic modelling, reserves calculation, borehole image processing and interpretation, and multiwell correlation.

He has an interest in 45,000 Shares in the Company.

Information as to why your Directors, Mr Yu abstaining, recommend Shareholders vote **against**, and will be voting their Shares **against**, the removal of Mr Yu is set out in detail in the statement of your Directors which accompanies this Notice of Meeting. A copy can also be found at <http://www.mecresources.com.au/statement-of-directors/>



Your Directors do not support this Resolution and will be voting their Shares AGAINST the removal of Mr Yu as a Director.

Resolution 8 – Removal of Director – Mr Darryl Robert Moore

Resolution 8 relates to the removal of Mr Darryl Robert Moore as a Director.

Mr Moore was appointed as a Non-Executive Director on 10 April 2017.

Mr Moore, a Drilling Engineer by training, has performed drilling engineering services for major oil and gas companies including Shell, Chevron, Phillips, ENI and Woodside on a host of international projects.

In 2010, Mr Moore provided drilling engineering services to MEC investee, Advent Energy, including the design of an exploration well targeting the Baleen prospect. As such, he has intimate knowledge in respect of Advent's exploration objectives in PEP11.

He has an interest in 666,667 Shares in the Company.

Information as to why your Directors, Mr Moore abstaining, recommend Shareholders vote **against**, and will be voting their Shares **against**, the removal of Mr Moore is set out in detail in the statement of your Directors which accompanies this Notice of Meeting. A copy can also be found at <http://www.mecresources.com.au/statement-of-directors/>



Your Directors do not support this Resolution and will be voting their Shares AGAINST the removal of Mr Moore as a Director.

GLOSSARY

In this Notice and Explanatory Memorandum:

AEST	Means Australian Eastern Standard Time.
ASX	means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
Board	means the board of Directors.
Chairman	means the Chairman of the Meeting.
Company or MEC	means MEC Resources Ltd (ACN 113 900 020).
Constitution	means the constitution of the Company as amended.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth) as amended.
Director	means a director of the Company.
Explanatory Memorandum	means this explanatory memorandum.
Meeting	means the general meeting of shareholders of the Company to be held at Moore Stephens, Level 7, 9 Castlereagh Street, Sydney NSW 2000 on Tuesday, 10 July 2018 commencing at 2:00 pm (AEST).
Member's Statement	means the statement provided by the Requisitionists under section 249P of the Corporations Act.
Notice of Meeting	means this Notice of Meeting.
Ordinary Resolution	means a resolution requiring to be passed by a majority of such shareholders, as being entitled to do so, vote in person or by proxy on such resolution.
Requisitionists	means Protax Nominees Pty Ltd, Anstey Superannuation Fund Pty Ltd, Paul Anstey & Co Pty Ltd, Paul Emile Richards Anstey and Mrs Katherine Jean Anstey, Albert Grincer, Roger Julian Glyn Davenport and Mrs Frances Davenport, AVCO Pty Ltd, Mr Valentine Durnin, Mr Valentine Durnin and Mrs Pauline Durnin, Ms Claire Durnin, Mr Peter Durnin and Mr Joseph Durnin, Avatar Energy Pty Ltd, Kinetas Pty Ltd, Superfold Pty Ltd, Mr Thomas Andrew Keith Wilson and Mr David Booth & Mrs Tracey Booth.
Resolution	means a resolution set out in the Notice of Meeting.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of a Share.

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RESPONSE TO REQUISITIONISTS' S249P STATEMENT

The Requisitionist's have provided a statement in support of their proposed resolutions. That statement is included as an annexure to the Notice of Meeting.

The Company notes the following matters with the Requisitionists' statement:

1. *"We are not satisfied with the performance of the Company."*

We agree that historical performance until the end of 2016 has been unsatisfactory. Your Board has worked tirelessly, with negligible remuneration, to rebuild the credibility of the Company. Achievements include, in approximate chronological order:

- Termination of former MD's services agreement
- Attract new, highly qualified and experienced directors to the boards of both MEC Resources and investee Advent.
- Reduction in remuneration for Directors' fees to \$1 p.a.
- Support Advent in enabling compliance with PEP11 work commitments, including seismic acquisition originally required in 2014.
- Achieving extension of PEP11 title to 2021.
- Achieving extension of EP386 title to 2020.

2. *"We believe it is time to refresh the Board and direct the projects and Company along an alternate path".*

Shareholders will recall that Advent's strategy under Mr Breeze was to drill PEP11 at the earliest opportunity. Thus, upon the Board refreshment over the last 18 months or so, plus the planned farmout to RL Energy, your Directors are directing the projects and Company along an alternate path. The Requisitionists appear set to return to the "old ways", which have not served the Company, or shareholders, well.

3. *"...by drilling a well on PEP 11 within 12 months (subject always to environmental approvals and logistics)"*

Your Requisitionists have not disclosed how they will fund an exploration well or how it will affect your shareholding. This doesn't appear to be a caveat to drilling within 12 months. On this basis their proposition appears both flawed and based entirely on speculation.

4. *"We oppose the Company's current plan to complete 3D seismic before drilling which we believe would delay the drilling program by up to 3 years."*

As repeated frequently by the Company, the Requisitionists' strategy is against good oilfield practice. **It is a high-risk strategy which, if unsuccessful, would severely damage the ability to continue exploration of PEP11 in future.** Furthermore, the intent to undertake 3D seismic after drilling simply adds more time to potential development of any discovered resources, if commercially viable. Acquisition of a modern 3D seismic dataset at the earliest opportunity will enable improved delineation of existing resources, a potentially greater number of drilling targets, and an expedited ability to develop any commercially viable resources discovered as a result of drilling on the basis of optimum 3D data.

5. *"This strategy breaks the deadlock of argument about 3D and 2D seismic. If the 3D can't reasonably be funded at this time..."*

The farm in by RL Energy is designed to achieve this objective. This survey is intended for early 2019. This would then enable drilling of an optimal exploration well or multiple wells to be commenced feasibly in

2020. The Requisitionists have not disclosed how they propose to fund and achieve an exploration well in 2019.

6. “MEC shares reached \$1.13 in 2010 on the back of an active drilling program.”

Yes, they did. But look at the massive decline shortly thereafter due to drilling a “duster” on the basis of suboptimal 2D seismic data, and then the time taken to achieve the next on-ground exploratory work in PEP11.

7. “We do not believe it is in shareholders’ best interests.”

What is in the shareholders’ best interests is in fulfilling work commitments on the title and progressing the exploration efforts therein. Your Directors have both achieved this during 2018, and facilitated ensuring this remains achievable in future. The Requisitionists have not declared any ability to achieve their ambitions. Your Directors have achieved the necessary commitments and can be trusted to continue to achieve these commitments in future.

8. “RL Energy would earn 60% of the whole project for a contribution towards the 3D Survey capped at just \$4m.”

Inaccurate. Upon carrying Advent’s share of a 3D survey up to the value of \$4m, RL Energy will then contribute at 60% of any costs above that value.

9. “MEC loses control as operator of the project.”

A strong Joint Operating Agreement governs the relationship between joint venture participants in PEP11. A strong Farmin Agreement with RL Energy ensures work is achieved in a timely manner. MEC Resources is a Pooled Development Fund.

10. “Following shareholder complaints, the ASX has intervened...”

We have been made aware of the numerous complaints about the potential advancement of the Company by the Requisitionists, and this statement further confirms the identities of those responsible for complaining to the ASX and stifling the progression of your Company and its investments. We consider that this demonstrates the depths to which the Requisitionists have stooped, we believe in association with Mr Breeze, in which they attempt to inhibit the progress of the Company’s investments. Your Directors endorse prudent risk management procedures, including de-risking exploration and reducing cost exposure, whilst maintaining very material interest in the upside.

11. “We have been in private talks with a potential farm-in partner to the Bonaparte permits EP 386 and RL1...”

ASX listing rules prevent misleading statements being made around uncertain transactions to limit the inappropriate trading that may result. Rest assured, your Directors endorse prudent risk management procedures, including reduction in cost exposure and liabilities, whilst maintaining material interest in the upside.

12. “A history of rejecting funding proposals even while the Company is under financial stress”

Your Directors consider any funding proposals presented to the Company and judge each on its merits.

13. “Outstanding current liabilities in excess of current assets”

This will not change under the proposals put forth by the Requisitionists as they have not demonstrated they can fund the immediate drilling of PEP11, at an estimated cost of \$20-\$30 million. Further, a large majority of the outstanding liabilities relates to outstanding Director fees from prior years that your Directors have deferred while working towards achieving change in your Company. Should the Requisitionists be successful, they will need to address these liabilities in their plan.

14. "Undisclosed reason for cancellation of 16 April, 2018 Rights Offer"

As shareholders would realise from the announcement made to the ASX on 7 May 2018, this was due to the replacement of that Rights Offer with a superior offer, whereby improved option terms were offered to shareholders who were eligible to take up their rights under the terms of that offer.

15. "Peter Richards has experience as a public company director"

He should name the companies upon which boards he apparently served to enable scrutiny by all shareholders.

16. "Thomas Fontaine...introduced the PEP 11 project to MEC in 2004."

The Directors have reviewed previous Directorships held by Mr Fontaine. It appears that, as Managing Director of the company holding the PEP11 title at the time MEC effectively acquired an interest, he was unable to raise sufficient funds to complete both a 2D seismic acquisition program and that company's drilling obligation in PEP11. He therefore has a history of being unable to raise funds to complete work programs, and a history of being unable to raise funds to drill PEP11.

17. "Albert Grinceri...."

We understand that Mr Grinceri is a suburban tax accountant. Mr Grinceri has not demonstrated any justification as to why he should replace the existing, superiorly qualified and experienced Directors, nor what attributes he would bring to the Company.


MEC Resources Limited

Section 249P Statement

We, being shareholders holding at least 5% of the votes that may be cast at a general meeting of MEC Resources Limited (the Company), hereby request in accordance with section 249P of the Corporations Act that the accompanying Statement be given to all the members of the Company together with the notice of meeting in relation to the meeting of members to be held in July 2018.

MEC Signatures

Executed by
Avco Pty Ltd ACN 086 531 884 in
accordance with section 127 of the
Corporations Act 2001 (Cth)



Signature of sole director and sole company
secretary

ALBERT GRINCERI

Name of sole director and sole company
secretary

Signed by
Thomas Andrew Keith Wilson in the
presence of

B. Royle

Signature of witness

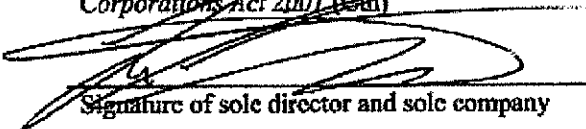
Thomas Andrew Keith Wilson

Signature

Bonnie A Royle

Name of witness

Executed by
Avatar Energy Pty Ltd ACN 077 090
558 in accordance with section 127 of the
Corporations Act 2001 (Cth)



Signature of sole director and sole company
secretary

THOMAS JOSEPH LIABORNE FONTAINE

Name of sole director and sole company
secretary

Signed by
David Booth And Tracey Booth in the
presence of



Signature of witness

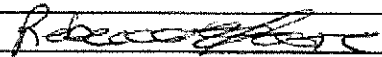


Signatures

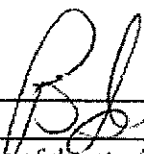
HARLEY CHATBURN

Name of witness

Executed by
Superfold Pty Ltd ACN 009 242 406 in
accordance with section 127 of the
Corporations Act 2001 (Cth)



Signature of director



Signature of director/company secretary

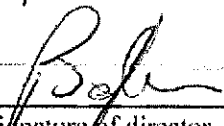
Rebecca Moore

Name of director

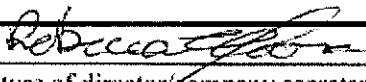
Tracey Booth

Name of director/company secretary

Executed by
Kinetas Pty Ltd ACN 009 124 636 in
accordance with section 127 of the
Corporations Act 2001 (Cth)



Signature of director



Signature of director/company secretary

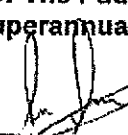
Rebecca Moore

Name of director

Tracey Booth

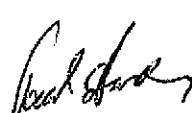
Name of director/company secretary

Signed by
**Paul Emile Richards Anstey (As Trustee
For The Paul Anstey & Co
Superannuation Fund)** in the presence of



Signature of witness

Jennifer ANSTEY

Name of witness


Signature

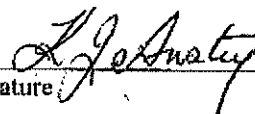
Signed by
**Katherine Jean Anstey (As Trustee For
The Paul Anstey & Co Superannuation
Fund)** in the presence of


Signature of witness

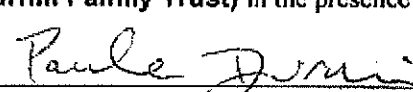
JENNIFER ANSTEY

Name of witness

KATHERINE JEAN ANSTEY.

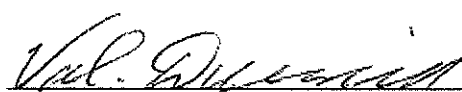

Signature

Signed by
**Valentine Durnin (As Trustee For The
Durnin Family Trust)** in the presence of

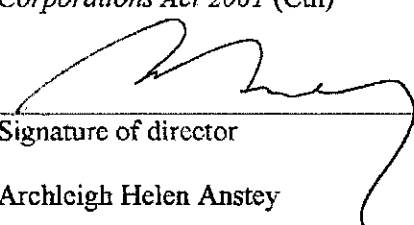

Signature of witness

PAULINE DURNIN

Name of witness

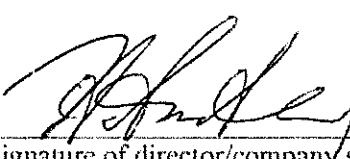

Signature

Executed by
**Anstey Superannuation Fund Pty Ltd
ACN 617 996 924 (As Trustee For The
Anstey Family Superannuation Fund)** in
accordance with section 127 of the
Corporations Act 2001 (Cth)


Signature of director

Archleigh Helen Anstey

Name of director


Signature of director/company secretary

Harry Louis Richards Anstey

Name of director/company secretary

Signed by
**Valentine Durnin (As Trustee For The
Durnin Family Superannuation Fund)**
in the presence of

Pauline Durnin
Signature of witness

PAULINE DURNIN
Name of witness

Val. Durnin
Signature

Signed by
**Pauline Durnin (As Trustee For The
Durnin Family Superannuation Fund)**
in the presence of

Val. Durnin
Signature of witness

VALENTINE DURNIN
Name of witness

Pauline Durnin
Signature

Signed by
Steven Craig James
in the presence of

X Fiona Golinelli
Signature of witness

X Fiona Golinelli
Name of witness (please print)

[Signature]
Signature

Signed by
**Claire Durnin (As Trustee For The CPJ
Durnin Superannuation Fund)** in the
presence of

Pauline Durnin
Signature of witness

PAULINE DURNIN
Name of witness

Claire Durnin
Signature

Signed by
**Peter Durnin (As Trustee For The CPJ
Durnin Superannuation Fund)** in the
presence of

Pauline Durnin
Signature of witness

PAULINE DURNIN
Name of witness

P.J. Durnin
Signature

Signed by
**Joseph Durnin (As Trustee For The CPJ
Durnin Superannuation Fund)** in the
presence of

Pauline Durnin
Signature of witness

PAULINE DURNIN
Name of witness

Joseph Durnin
Signature

Executed by
**Protax Nominees Pty Ltd ACN 010
812 567 (as trustee for the Richards
Superannuation Fund)**
in accordance with section 127 of the
Corporations Act 2001 (Cth)

Ann Richards
Signature of director

Ann Patricia Richards
Name of director (please print)

Peter Martin Longman Richards
Signature of director/company secretary

Peter Martin Longman Richards
Name of director/company secretary
(please print)

Signed by
**Roger Julian Glyn Davenport (As Trustee
For The Davenport Family Trust)** in the
presence of

As Adams

Signature of witness

Signature

Genevieve Adams

Name of witness

Signed by
**Frances Davenport (As Trustee For The
Davenport Family Trust)** in the presence of

As Adams

Signature of witness

Signature

Genevieve Adams

Name of witness

Signed by
**Paul Emile Richards Anstey (As Trustee
For Paul Anstey & Co P/L S/F A/C)** in the
presence of

Wayne Shelley

Signature of witness

Signature

WAYNE SHELLEY

Name of witness

Shareholder Interest Group

Case to the Vote for the Replacement of the MEC Board – 31/5/2018

The proposed new board of directors will change the current Company strategy to:

1. Work for the rejection of the RL Energy deal that reduces our interest in PEP 11 (Offshore Sydney Basin) from 40% to 11.75% (a reduction of 71%)
2. Commence the drilling program for the PEP 11 with target drilling within 12 months
3. Complete negotiations for a farm-in of the development of the Bonaparte EP 386 & RL1 assets.

Note 1: PEP 11 is the Offshore Sydney Basin Tenement and is MMR's prime and prized asset.

Note 2: Bonaparte EP386 & RL1 asset farm in is valued at \$5 million.

My name is Peter Richards and together with Tom Fontaine and Albert Grincer, we are Director Nominees for the MEC Board. We are part of a group of concerned shareholders holding over 6% of the MEC shares and we calculate we are the second largest shareholder group in MEC.

We are not satisfied with the performance of the Company. The share price on 29/5/2018 was 1.7 cents. Our assessment is that the company is under financial stress (ref: ASX 30/04/2018 and Prospectus) and the current development strategies for MEC's projects (PEP 11, Bonaparte WA) are simply not working. We have alternate strategies to drive the Company forward.

Consequently, on 16 May 2018 we served Notice on the Company to call a shareholder meeting to vote on the appointment of new directors and to remove all five members of the current MEC Board, the three longest serving having served since 2005, 2006 and 2010. We believe it is time to refresh the Board and direct the projects and Company along an alternate path.

Development Path for PEP 11 Under the New Board

Our plan is to comply with the approved Government Works Program for PEP 11 (Offshore Sydney Permit) (ref: ASX 8/1/2018) by drilling a well on PEP 11 within 12 months (subject always to environmental approvals and logistics) and then undertaking a 3D seismic survey. We oppose the Company's current plan to complete 3D seismic before drilling which we believe would delay the drilling program by up to 3 years.

This strategy breaks the deadlock of argument about 3D and 2D seismic. To us it is simple. If the 3D can't reasonably be funded at this time and there already is a valid drilling target and drilling can be funded, then drill. The valid drilling target is supported by internationally renowned and published geophysicist, Mr Tim Berge (ref: ASX 22/12/2010) and by a further independent report by an independent geologist Don Marlin and accepted by the MEC Board as confirming Baleen as an immediate drilling target (ref: ASX 23/9/2015).

Note: MEC shares reached \$1.13 in 2010 on the back of an active drilling program.

We Vote "NO" on the RL Energy Deal

Under The RL Energy Deal, MEC's Interest in PEP 11 Goes From 40% to 11.75% (a 71% decline).

We are strongly opposed to MEC's decision to enter into this transaction as:

- We do not believe it is in shareholders' best interests. MEC's interest is 40% of PEP 11. RL Energy would earn 60% of the whole project for a contribution towards the 3D Survey capped at just \$4 million. The survey has been estimated to cost up to \$8 million (ref: ASX 2017 AGM Presentation). We believe a funding shortfall represents a huge and unacceptable risk.
- MEC loses control as operator of the project.

Following shareholder complaints, the ASX has intervened based on ASX Listing Rule 10 and directed the proposed transaction with RL Energy be put to a shareholder vote (ref: ASX 19/2/2018). A meeting must be held by 31 July 2018 (ref: Prospectus) so by joining our Board Spill motions to that meeting agenda there should be minimal cost to the Company.

We urge all shareholders to vote ‘NO’ to the proposed RL Energy transaction and to vote “YES” to replace the Board.

Bonaparte Tenements - EP 386 and RL1

We have been in private talks with a potential farm-in partner to the Bonaparte permits EP 386 and RL1 with the aim to cover the plug and abandonment liabilities of up to \$2.5 million and move the Bonaparte assets towards becoming production assets.

Other Concerns include:

- ASX compliance related share suspensions and trading halts - 4 of these this year;
- **A history of rejecting funding proposals even while the Company is under financial stress;**
- Outstanding litigation claims against MEC (circa \$1.2 M, ref: Prospectus, ASX 24/1/2018, 29/3/2018);
- Outstanding current liabilities in excess of current assets
- **Past performance of the MEC share price - reached \$1.13 in 2010 on the back of an active drilling program, falling back to 1.7 cents 30 May 2018**
- Undisclosed reason for cancellation of 16 April, 2018 Rights Offer.

Peter Richards has experience as a public company director, been retained by ASIC as a consultant on financial services industry regulatory compliance standards between 1997 and 2002 and acted as an expert witness for ASIC.

Thomas Fontaine is a reservoir engineer with over 25 years of experience in project evaluation management, development, capital raising. He introduced the PEP 11 project to MEC in 2004. He was primarily responsible for the start-up and subsequent listing on ASX of Pure Energy Resources Pty Ltd in 2006 which was acquired in 2009 by BG Group Plc in a \$1 billion takeover.

Albert Grincer is a Certified Practising Accountant with over 30 years' experience as a CPA and has acted as accountant for large publicly listed company in tax accounting issues.

Shareholder Interest Group

PO Box 284, Applecross, WA, 6953

For further information phone Tom Fontaine on 0411 610 006

Email: drillpep11now@gmail.com