



14 December 2010

Companies Announcement Office
Australian Securities Exchange Limited
10th Floor, 20 Bond Street
SYDNEY NSW 2000

Dear Cameron,

Re: Price and Volume Query

We refer to your letter dated 14 December 2010 regarding the price movement and volume of securities of MEC Resources Limited (ASX: MMR). The Company wishes to advise the following in response to your questions:

1. The Company is not aware of any material information about it that could explain the recent trading in the securities. Operations of the Company's investee Advent Energy at the New Seaclem-1 drilling location continue to progress well as announced to the market.
2. As the answer to question 1 is no question 2 does not apply.
3. A review of the company's trading patterns has demonstrated activities consistent with the use of automated selling programs. A large number of very small volume trades has been observed in the recent trading activity of the company.
4. The Company confirms that it is in compliance with the listing rules and, in particular, listing rule 3.1

Yours Sincerely

A handwritten signature in dark ink, appearing to read 'D Ambrosini', with a stylized flourish at the end.

Deborah Ambrosini
Director and Company Secretary



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14 December 2010

Ms Deborah Ambrosini
Company Secretary
MEC Resources Limited
14 View Street
North Perth WA 6006

By email: deborah@grandbridge.com.au

Dear Deborah,

MEC RESOURCES LIMITED (the "Company")

PRICE AND VOLUME QUERY

We have noted a change in the price of the Company's securities from \$1.09 yesterday to the intra-day low of 80 cents today. There has also been an increase in the recent volume of the Company's securities traded.

In light of the price change, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change in the securities of the Company?
4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by **email by facsimile number (08) 9221 2020**. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, **not later than 11:30 am (W.S.T) today.**

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

Trading halt

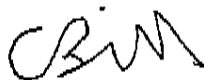
If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please contact me on (08) 9224 0054.

Yours sincerely,



Cameron Bill
Adviser, Listings (Perth)