



22 January 2018

The Manager
Market Announcements Office
ASX Limited
4th Floor, 20 Bridge Street
SYDNEY NSW 2000

via e-lodgement

Dear Sir/Madam

Share Placement

The Board of MEC Resources Limited (ASX Code: MMR) (**MEC** or the **Company**) is pleased to advise that it has raised \$300,000 (before costs) through a placement to sophisticated and professional investors¹ of 14,285,714 ordinary shares at an issue price of \$0.021 cents per share (**Placement**).

The placement price represents a discount of approximately 5% to the closing price on 11 January 2018, and is broadly in line with the price that shares have been issued by the Company recently.

The Placement was managed by Panthea Capital pursuant to a mandate issued on 12 January 2018.

The funds raised under the Placement will be used for various purposes, but primarily to assist MEC investee, Advent Energy Ltd (**Advent**), in developing work programs and undertaking preparatory works for activities in EP386 and RL1 in the onshore Bonaparte Basin, including well intervention activities as previously advised. These works may assist in progressing discovered resources and contribute towards title security of EP386 and RL1.

The shares are being issued under the Company's placement capacity pursuant to Listing Rule 7.1.

About the Company

MEC holds a 47% interest in unlisted oil and gas explorer Advent Energy Ltd (**Advent**) which (through its wholly owned subsidiary, Asset Energy Pty Ltd) presently holds an 85% interest in PEP11, offshore Sydney Basin, and 100% interest in EP386 and RL1 in the onshore Bonaparte Basin.

About PEP11, offshore NSW

PEP11 lies adjacent to the NSW coast in Commonwealth waters, and is believed to comprise large structural traps that provide an opportunity to potentially discover significant volumes of natural gas to supply the challenged east coast gas market and contribute to national energy security. Asset Energy Pty Ltd is Operator and 85% titleholder of PEP11, along with Bounty Oil and Gas NL (15%).

On the 10th January 2018, the Company announced that the National Offshore Petroleum Safety and Environmental Management Authority (**NOPSEMA**) formally accepted the PEP11 Baleen 2D HR Seismic

¹ As defined under section 708A of the *Corporations Act 2001* (Cth)



Survey Environment Plan (EP). Asset is now undertaking mobilisation of equipment and preparations to undertake the 2D survey.

Bonaparte Basin, WA and NT

In the onshore Bonaparte Basin in the north of Western Australia/Northern Territory, Advent Energy holds 100% of EP386 and RL1. These assets comprise a number of gas discoveries (EP386) and the undeveloped Weaber Gas Field (RL1, Northern Territory). Advent Energy is planning well intervention and decommissioning works across the three cased and suspended wells (Waggon Creek-1, Vienta-1 (EP386), and Weaber-4 (RL1)) in the forthcoming dry season, pending regulatory approvals and suitable funding. The Company has received preliminary support from Aboriginal heritage groups on already cleared lands.

Gas has flowed from these wells previously on testing at rates of 1.3 million cubic feet of gas per day (MMcfg/d), 2.1 MMcfg/d and 2.0 MMcfg/d respectively. Any data achieved from the well interventions can contribute to potential future field development planning.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Goh Hock', with a long horizontal stroke extending to the right.

Mr Goh Hock
Chairman

MEC Resources Ltd

ACN 113 900 020

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Dear Sir/Madam

NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT

MEC Resources Ltd (**the Company or MEC Resources**) has today issued 14,285,714 fully paid ordinary shares in the capital of the Company at an issue price of \$0.021 per share in a placement to Sophisticated Investors.

The Company gives this notice under section 708A(5)(e) of the *Corporations Act* (Cth) (**Corporations Act**) that:

1. The above mentioned shares were issued without disclosure to investors under Part 6D.2, in reliance on section 708A(5) of the Corporations Act.
2. The Company, as at the date of this notice, has complied with:
 - (a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (b) section 674 of the Corporations Act.
3. As at the date of this notice, there is no excluded information within the meaning of sections 708A(7) and (8) of the Corporations Act which is required to be disclosed by the Company.

Yours faithfully

A handwritten signature in blue ink, appearing to read "D Ambrosini".

On behalf of the Board of Directors
Deborah Ambrosini
Director and Company Secretary

MEC Resources Ltd

ACN 113 900 020

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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 |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 14,285,714 ordinary shares |
| 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 |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? 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	Yes
5 Issue price or consideration	\$0.021 per share
6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Share placement to sophisticated investors
6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	No
6b The date the security holder resolution under rule 7.1A was passed	N/A
6c Number of +securities issued without security holder approval under rule 7.1	14,285,714

+ See chapter 19 for defined terms.

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	Nil
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 January 2018

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	271,945,731	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)	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

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?	
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the +securities will be offered	
14 +Class of +securities to which the offer relates	
15 +Record date to determine entitlements	
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	

+ See chapter 19 for defined terms.

17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	
25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
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	
28	Date rights trading will begin (if applicable)	

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

- 29 Date rights trading will end (if applicable)
- 30 How do security holders sell their entitlements *in full* through a broker?
- 31 How do security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Issue date

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
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories

⁺ See chapter 19 for defined terms.

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? 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	N/A
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another ⁺security, clearly identify that other ⁺security)	N/A

⁺ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

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

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.

+ See chapter 19 for defined terms.

Sign here:



(Director/Company secretary)

Date: 22 January 2018

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	200,034,633
Add the following: - 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 Note: - 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	Exception 1 4 May 2017 - 22,788,594 Exception 3 30 June 2017 – 300,000 26 July 2017 – 300,000 Exception 15 9 November 2017 – 30,851,978
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	254,275,205

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	38,141,281
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: - Under an exception in rule 7.2 - Under rule 7.1A - With security holder approval under rule 7.1 or rule 7.4 <i>Note:</i> <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>	38,141,281
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	17,670,526
Total [“A” x 0.15] – “C”	20,470,755 <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: • <i>This applies to equity securities – 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>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</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i>	Nil
“E”	Nil

⁺ See chapter 19 for defined terms.

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.