

Dear Shareholder

MEC Resources Limited is convening an Annual General Meeting of shareholders to be held on Friday 21 January 2022 at 2:00pm WST (**Meeting**).

In accordance with the Treasury Laws Amendment (2021 Measures No. 1) Act 2021, the Company will not be sending hard copies of the Notice of Meeting to shareholders unless a shareholder has requested a hard copy (after the date of this letter) by Tuesday, 18 January 2022. The Notice of Meeting can be viewed and downloaded from the link set out below. Please also refer to the Notice of Meeting for details on how to participate in the Meeting.

A copy of the Meeting materials can be viewed and downloaded online as follows:

- You can access the Meeting materials online at the Company's website: <https://www.mecresources.com.au/announcements/>
- A complete copy of the Meeting materials has been posted to the Company's ASX Market announcements page at www2.asx.com.au under the Company's ASX code "MMR".

A copy of a blank Proxy Form is enclosed for your convenience. Please complete and return the attached proxy form to the Company's company secretary Robert Marusco by:

- Post to: MEC Resources Ltd, Attention R Marusco Company Secretary PO Box 840 South Perth WA 6951
- Email to: robert.m@herebusiness.com.au
- Fax to: 08 9217 2401 within Australia or +61 8 9217 2401 outside Australia

The Company intends to hold a physical meeting.

The Board will continue to monitor Australian Government restrictions on public gatherings.

The situation is constantly evolving and accordingly we may make alternative arrangements to the way in which the Meeting is held. If this occurs, we will notify any changes by way of announcement on ASX and the details will also be made available on our website.

The Meeting materials are important and should be read in their entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

Sincerely

David Breeze
Managing Director
MEC Resources Ltd

MEC RESOURCES LIMITED

ACN 113 900 020

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 2:00pm (WST)

DATE: Friday, 21 January 2022

PLACE: Level 1
9 Bowman Street
SOUTH PERTH WA 6151

The business of the Meeting affects your shareholding and your vote is important.

Shareholders are urged to attend or vote by lodging the Proxy Form enclosed with this Notice.

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their stockbroker, investment advisor, accountant, solicitor or other professional adviser prior to voting.

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 Shareholders at 2.00pm (WST) on 19 January 2022.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 9217 2400

BUSINESS OF THE MEETING

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the general meeting of shareholders of MEC Resources Limited (Company) will be held at Level 1, 9 Bowman Street South Perth WA on Friday, 21 January 2022 commencing at 2.00pm (WST) (Meeting).

The Explanatory Statement provides additional information on matters to be considered at the Meeting. The Explanatory Statement and the Proxy Form form part of this Notice.

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 on 19 January 2022 at 2.00pm (WST).

Terms and abbreviations used in this Notice and the Explanatory Statement are defined in the Glossary.

IMPORTANT INFORMATION

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9217 2400.

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2021."

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

A voting prohibition statement applies to this Resolution. Please see below.

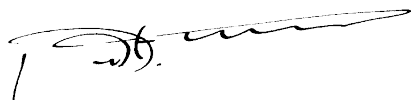
3. RESOLUTION 2 – RE - ELECTION OF DIRECTOR – MR DOUGLAS VERLEY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 14.2 of the Constitution and for all other purposes, Mr Douglas Verley, a Director, retires by rotation, and being eligible, is re-elected as a Director."

Dated: 23 December 2021

By order of the Board



Mr Robert Marusco
Company Secretary

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2021 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.mecresources.com.au.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTION 2 – RE - ELECTION OF MR DOUGLAS VERLEY

3.1 General

Pursuant to clause 14.2 of the Constitution, at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Verley, who has served as a Director since 11 February 2020 and was last re-elected on 29 January 2021, retires by rotation and seeks re-election.

Resolution 2 seeks Shareholder approval for the election of Mr Verley as director.

3.2 Qualifications and other material directorships

Doug's 35-year career spans the banking, investment management, life insurance, mutual fund, accounting, property, mining services, construction, fabrication, engineering, printing, training, fire prevention and numerous other industries, with over 25 of those years entrenched in all areas of strategy development, planning and implementation, and some as Group Strategist of a listed life insurance Group.

In the early part of his career Doug spent ~10 years as a professional institutional investment manager and company analyst, managing large pension fund investments. In this time Doug was also responsible for investment marketing and reporting to pension fund administrators and trustees and was part of the team that introduced the first 'Index Tracking Fund' into South Africa, which Doug was the fund manager of.

Later Doug was appointed to the role of Managing Director of the Retail Investments Division of Standard Bank, Africa's largest retail bank, leading a team in excess of 300 people through a 5-year strategic turnaround, in that time growing market share from 5% to 12,8%, and increasing annual sales by seven fold. In this role Doug was responsible for a product range that included ~60 mutual funds, and numerous retirement and other unitised investment products.

On leaving the bank Doug establishment of his own investment funds management company in alliance with one of the world's largest investment management groups, forming numerous strategic alliances with leading South African financial institutions. Via these alliances Doug's company created numerous innovative investment products, and was able to establish a significant distribution capability, rapidly growing investment funds under management into the hundreds of millions.

On selling his funds management business Doug then establishment his own special-purpose property development company to capitalise and develop a

330-home property development, with an estimated end-to-end value of about AU\$200m.

Doug and his family moved to Australia in 2008. Shortly after arriving in Australia and spurred on by the onset of the GFC Doug decided to enrol to study an MBA at UWA, and at the same time completed the Australian Company Directors Diploma.

Since completing his MBA Doug has acted as the compliance officer to a ~\$500m ASX 200 listed investment company, been the Executive Chairman of a prominent mid-tier accounting, tax and financial planning business, has sat, and still sits, as director, advisor and business coach (mentor) to various SMEs and Not-for-profit organisations, and with his current business partner, he has most recently established Here Business & Wealth.

Doug has completed a Diploma in Business Management, a Bachelor of Commerce majored in Economics and Business Economics, an Honours Bachelor of Commerce – Investment Finance, a Higher Post-Graduate Diploma in Corporate Law, Graduate Diploma – Australian Institute of Company Directors (GAICD), and an Executive MBA through UWA, graduating with distinction and receiving the Dux award in Strategic Negotiation.

Mr Verley has not acted as a director of any other listed public company in the last 3 years. Mr Verley is a director of Here Business & Wealth Pty Ltd and Here Capital Pty Ltd and Here Accountants and Advisors. Mr Verley directly holds 2,000,000 shares in the Company and 10,396,100 shares indirectly via the Bambazonke Trust.

3.3 Independence

Mr Verley has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his/her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers Mr Verley will be an independent Director.

3.4 Board recommendation

The Board supports the election of Mr Verley and recommends that Shareholders vote in favour of Resolution 2.

GLOSSARY

\$ means Australian dollars.

AEDT means Australian Eastern Daylight Time.

Annual General Meeting or Meeting means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

Associate has the meaning given to it in ASX Listing Rule 19.12.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Certificate means a duly executed certificate of appointment of corporate representative.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

Company means MEC Resources Limited (ACN 113 900 020).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001 (Cth)*.

Directors means the current directors of the Company.

Equity Securities has the meaning given in chapter 19 of the ASX Listing Rules.

Explanatory Statement means the explanatory statement accompanying the Notice.

Glossary means this glossary of definitions.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of this Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Share Registry means the Company's share registry being Boardroom Pty Ltd.

PROXY FORM

MEC RESOURCES LIMITED
ACN 113 900 020
ANNUAL GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: ☐ the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at Level 1, 9 Bowman Street South Perth WA 6151, on 21 January 2022 at 2.00pm (WST), and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions (except where I/we have indicated a different voting intention below) even though Resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 Adoption of Remuneration Report	☐	☐	☐
Resolution 2 Re - Election of Director – Mr Douglas Verley	☐	☐	☐

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

Consent for contact by e-mail
in relation to this Proxy Form:

YES ☐ NO ☐

Instructions for completing Proxy Form

1. **Appointing a proxy**

A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.

2. **Direction to vote**

A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.

3. **Compliance with Listing Rule 14.11**

In accordance to Listing Rule 14.11, if you hold Shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the Shares, you are required to ensure that the person(s) or entity/entities for which you hold the Shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the Company that you are in compliance with Listing Rule 14.11.

4. **Signing instructions:**

- **Individual:** Where the holding is in one name, the Shareholder must sign.
- **Joint holding:** Where the holding is in more than one name, all of the Shareholders should sign.
- **Power of attorney:** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
- **Companies:** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.

5. **Attending the Meeting**

Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

6. **Lodgement of Proxy Form**

Proxy forms can be lodged by completing and signing the enclosed Proxy Form and returning by:

- (a) post to MEC Resources Limited, PO Box 840 SOUTH PERTH WA 6951;
- (b) facsimile to the Company on facsimile number +61 8 9217 2401;
- (c) hand delivering to Level 1, 9 Bowman Street South Perth WA; or
- (d) email to the Company at robert.m@herebusiness.com.au,

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.