



3 October 2017

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

via e-lodgement

Dear Sir/Madam

NOTICES OF DEMAND

MEC Resources Ltd (ASX: MMR) (the “**Company**”) reiterates its position regarding the public releases by BPH Energy Ltd (ASX: BPH) and Grandbridge Ltd (ASX: GBA) dated 2 October 2017.

MEC Resources Ltd, Advent Energy Ltd and related bodies corporate continue to dispute the liability for the amounts. No formal agreement exists between Grandbridge Limited, BPH Energy Ltd and the Company in respect of the purported amounts. Despite repeated requests to demonstrate the substance of these claims, no evidence has been provided to the Company. As previously stated the Company will vigorously defend its position.

The Company reserves its rights for damages caused by these claims.

The Company has a formal loan agreement with BPH Energy Ltd, whereby BPH Energy Ltd has defaulted on its obligation to repay money to the Company. As announced previously MEC Resources Ltd has issued a legal proceeding out of the District Court of Western Australia to recover the monies owing pursuant to the formal loan agreement with BPH Energy Ltd.

Yours faithfully

A handwritten signature in black ink, appearing to read "Goh Hock", with a horizontal line extending to the right.

Mr Goh Hock
Chairman

MEC Resources Ltd

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