



26 September 2018

Companies Announcements Office
ASX Limited
10th Floor, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

PEP11 FARMIN AGREEMENT

MEC Resources Ltd (ASX: MMR) (“**the Company**” or “**MEC**”) is pleased to advise that, further to the announcement on 4 May 2018, the conditional farmin agreement to Petroleum Exploration Permit 11 (“**PEP11**”) between by Asset Energy Pty Ltd and RL Energy Pty Ltd (“**RL Energy**”) has been registered as a dealing by the National Offshore Petroleum Titles Administrator (NOPTA).

Asset Energy Pty Ltd (“**Asset Energy**”) which is a wholly owned subsidiary of MEC investee Advent Energy Ltd, presently holds 85% of PEP11 and is Operator of that title.

The conditional agreement between Asset Energy and RL Energy provides for RL Energy to acquire 3D seismic data to meet the future 500km² PEP11 permit work commitment (inclusive of acquisition, processing and interpretation), by carrying Asset Energy’s participating interest share of these costs up to a capped amount as previously announced. The material matters of this agreement have previously been included in the Notice of Meeting dated 2 July 2018 and approved by shareholders on 31 July 2018.

The registration of the dealing by NOPTA in accordance with the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* satisfies the remaining Condition Precedent to the agreement, following MEC shareholders’ support for the agreement on 31 July 2018.

Additional milestones to be achieved prior to the 3D seismic survey being undertaken and RL Energy earning their participating interest in PEP11 pursuant to the farmin agreement have been described in a previous release to the ASX dated 9 July 2018.

Asset Energy looks forward to further milestones being achieved in the near term to enable the 3D seismic survey to be undertaken in PEP11 by RL Energy as early as possible.

Yours Sincerely

A handwritten signature in blue ink, appearing to read "D Ambrosini", is written over a light blue circular scribble.

Deborah Ambrosini
Executive Director and Company Secretary

About RL Energy Pty Ltd:

RL Energy Pty Ltd is a privately owned Australian based exploration company backed by industry professionals. Its leadership team has extensive experience, knowledge and expertise in the Australian oil and gas exploration and production industry. RL Energy is chaired by Mr Greg Channon, who was formally CEO of Pathfinder Energy and prior to that was the Upstream CEO of Brightoil Petroleum (Holdings) Limited based in Hong Kong. Mr Channon is a geologist by training, with over 30 years of experience in the oil and gas industry. He has recently been joined on the Board of RL Energy by Mr Dougal Ferguson. Mr Ferguson has over 24 years of experience in senior management positions in listed upstream oil and gas for both domestic and international companies. Mr Ferguson is currently Managing Director of Elixir Petroleum Limited and spent seven years in London with Premier Oil plc and Hess Corporation. He has gained broad commercial and technical experience working in business development and commercial roles in small to medium exploration and production companies.

MEC Resources Ltd

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