



27 August 2018

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

via e-lodgement

Dear Sir/Madam

PEP11 2D SEISMIC ENVIRONMENTAL PERFORMANCE REPORT

MEC Resources Ltd (ASX: MMR) (the “**Company**”) is pleased to advise that investee Advent Energy Ltd has published its Environmental Performance Report for April’s Baleen 2D HR Seismic Survey in PEP11. The Company holds an interest in PEP11 through 85% titleholder Asset Energy Pty Ltd, a wholly owned subsidiary of Advent Energy Ltd.

In April 2018, a 2 dimensional (2D) seismic survey of approximately 200 line kilometres was performed. The survey was undertaken over the Baleen prospect in petroleum exploration permit PEP11. It took 3 days and was undertaken at a location predominantly 30 km southeast of Newcastle. It also incorporated a single tie-line to the New Seaclem-1 exploration well location (drilled in 2010), approximately 50 km northeast of the main survey area.

The data acquired during the survey is nearing completion of processing by an Australian seismic processing company. Upon receipt of the processed data, Advent Energy will integrate the new data into its existing dataset.

A report describing the performance of the survey against the environmental performance outcomes and standards described in the environment plan as accepted by the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) has been produced to NOPSEMA’s satisfaction, distributed to stakeholders, and published on Advent Energy’s website.

The report confirms that procedures were undertaken in accordance with the requirements of the Environmental Protection and Biodiversity Conservation (EPBC) Act Policy Statement 2.1 describing the interaction between offshore seismic exploration and whales.

A total of one cetacean sighting record (common bottlenose dolphin) was documented. This contributed to the single powerdown/shutdown event as the relevant species was detected within the designated mitigation zone during the seismic operations. There were no records of species that could not be positively identified.

No non-compliance events were documented in relation to marine fauna interactions, mitigation or source operational procedures.

Yours faithfully

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

Deborah Ambrosini
Executive Director, CFO and Company Secretary

MEC Resources Ltd

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