



1 November 2018

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

via e-lodgement

Dear Sir/Madam

BINDING TERM SHEET BETWEEN ADVENT ENERGY, ONSHORE ENERGY & BONAPARTE PETROLEUM

MEC Resources Ltd (ASX: MMR) (the “**Company**” or “**MEC**”) hereby provides an update to the binding and exclusive term sheet for the majority sale of Onshore Energy Pty Ltd (“**OE**”) to Bonaparte Petroleum Pty Ltd (“**BP**”), as originally announced 28 September 2018.

OE is a wholly-owned subsidiary of MEC’s investee company, Advent Energy Ltd (“**Advent**”), and presently holds 100% of EP386 and RL1 in the onshore Bonaparte Basin, Western Australia and Northern Territory (respectively). BP will acquire 90% of the fully paid ordinary shares in OE currently held by Advent under the terms previously advised to the ASX.

Following a site inspection of the permit area and feedback from the Western Australian Department of Mines, Industry Regulation and Safety (DMIRS) on documentation already submitted by OE for approval for other operational activities, BP must now provide suitable documentation for the DMIRS, on or before 30 November 2018, for the drilling of one or more exploration wells and for the acquisition of at least 50 km new 2D seismic data within EP386. This date has been extended from 31 October 2018 by agreement between the parties.

OE anticipates commencing these operations, pending regulatory approval and fundraising already referred to on 28 September 2018, in the 2nd quarter of 2019.

No other terms of the agreement have been amended.

Yours faithfully

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

Deborah Ambrosini
Managing Director, CFO and Company Secretary

MEC Resources Ltd

ACN 113 900 020

PO Box 882 West Perth WA 6872 | Suite 2, Level 3, 1111 Hay Street, West Perth WA 6006

T: +61 8 9245 6187 F: +61 8 9200 6193

info@mecresources.com.au www.mecresources.com.au