Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

accuments given to 11511 become 11511 a property and may be made public.				
Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.				
Name	of entity			
MEC	O AUSTRALIA LIMITED			
<u> </u>				
ABN				
43 00	56 447 952			
We (the entity) give ASX the following i	nformation.		
	rt 1 - All issues			
You must complete the relevant sections (attach sheets if there is not enough space).				
1	⁺ Class of ⁺ securities issued or to be issued	Ordinary shares		
2	Number of *securities issued or to be issued (if known) or maximum number which may be issued	252,690		
3	Principal terms of the *securities (eg, if options, exercise price and expiry date; if partly paid *securities, the amount outstanding and due dates for payment; if *convertible securities, the conversion price and dates for conversion)	Ordinary shares – fully paid		

⁺ See chapter 19 for defined terms.

4 Do the *securities rank equally in all respects from the date of allotment with an existing *class of quoted *securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

5 Issue price or consideration

25 cents per share

Yes

6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets) Exercise of 30/04/2007 Options

7 Dates of entering *securities into uncertificated holdings or despatch of certificates

22 March 2007

8 Number and *class of all *securities quoted on ASX (including the securities in clause 2 if applicable)

Number	+Class		
224,534,659	Ordinary shares		
221,331,033	Gramary snares		
50 470 022	20/4/2007 0 /:		
50,478,022	30/4/2007 Options		

9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)

Number	+Class
6,900,000	30/11/2009 Options

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

No dividends will be paid in the foreseeable future

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⁺ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only co	mplete this sec	tion if you are	applying for	quotation of	securities

34	Type of securities (tick one)		
(a)	S	Securities described in Part 1	
(b)		All other securities Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employed executive share securities when restriction ends, securities issued on expiry or conversion of convertible securities.	

⁺ See chapter 19 for defined terms.

Quotation agreement

- ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.
- We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the *securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any *securities to be quoted and that no-one has any right to return any *securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the *securities be quoted.
- We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before ⁺quotation of the ⁺securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:

Date: 23/03/2007

(Company secretary)

Print name: Colin Naylor

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⁺ See chapter 19 for defined terms.