



ODYSSEY
ENERGY LIMITED

ACN 116 151 636

NOTICE OF GENERAL MEETING

For the General Meeting of the Company to be held at the Plaza Level, BGC Centre, 28 The Esplanade, Perth, Western Australia on 24 July 2014 at 10am (WST).

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on 08 9322 6322.

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ODYSSEY ENERGY LIMITED

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NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of shareholders of Odyssey Energy Limited (**Company**) will be held at Plaza Level, BGC Centre, 28 The Esplanade, Perth, Western Australia on 24 July 2014 at 10am (WST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company on 22 July 2014 at 5.00pm (WST).

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. Resolution 1 – Consolidation of Capital

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution, the following:

"That, for the purposes of section 254H(1) of the Corporations Act and article 2.4 of the Constitution, and for all other purposes, approval is given for the consolidation of the Company's issued capital, on the basis that every 10 Shares be consolidated into 1 Share with the consolidation to take effect in accordance with the timetable set out in the Explanatory Memorandum, and where this consolidation results in a fraction of a Share being held by a Shareholder, the Directors be authorised to round that fraction down to the nearest whole Share".

BY ORDER OF THE BOARD



Dylan Browne
Company Secretary
Dated: 23 June 2014

ODYSSEY ENERGY LIMITED

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EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the Plaza Level, BGC Centre, 28 The Esplanade, Perth, Western Australia on 24 July 2014 at 10am (WST).

This Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolution:

Section 2:	Action to be taken by Shareholders
Section 3:	Resolution 1 – Consolidation of Capital
Schedule 1:	Definitions

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 10am (WST) on 22 July 2014, being at least 48 hours before the meeting.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

3. Resolution 1 – Consolidation of Capital

3.1 Background

As announced by the Company on 17 June 2014, the Company plans to undertake a consolidation of capital on a 1 for 10 basis, which will be followed, shortly thereafter, by the a pro-rata entitlement offer of new Shares to eligible Shareholders, at an issue price of \$0.05 per new Share, and on the basis of 3 new Shares for every 2 Shares held on the record date (**Entitlements Issue**). The Board is undertaking the Consolidation and Entitlements Issue to improve the Company's ability to attract new business opportunities in the oil and gas and other sectors as well as to expand its existing project base. Please refer to the Company's announcement dated 17 June 2014 for more details.

3.2 Corporations Act and Listing Rule Requirements

Resolution 1 seeks approval from Shareholders to consolidate the number of Shares on issue on a 1 for 10 basis.

Under section 254H(1) of the Corporations Act, the Company may, by a resolution passed at a general meeting of Shareholders, convert all or any of its Shares into a larger or smaller number of Shares.

The Company has Options on issue. Listing Rule 7.22.1 provides that in a consolidation of capital, the number of options must be consolidated in the same ratio as the ordinary capital and the exercise price must be amended in inverse proportion to that ratio.

If Resolution 1 is passed:

- (a) the number of Shares on issue will be reduced on a 1 for 10 basis; and
- (b) the number of Options on issue will be reduced on a 1 for 10 basis, and the exercise price of those Options will be increased in inverse proportion to that ratio.

Resolution 1 is an ordinary resolution.

3.3 Fractional entitlements and taxation

Not all Shareholders or Optionholders will hold a number of Shares or Options which can be evenly divided by 10. Where a fractional entitlement occurs, the fractional holding will be rounded down to the nearest whole Share or Option.

It is not considered that any taxation consequences will exist for Shareholders or Optionholders arising from the Consolidation. However, Shareholders and Optionholders are advised to seek their own taxation advice on the effect of the Consolidation and neither the Company nor the Directors (or the Company's advisers) accept any responsibility for the individual taxation consequences arising from the Consolidation.

3.4 Holding Statements

From the date of the Consolidation, all holdings statements for Shares and Options will cease to have any effect, except as evidence of entitlement to a certain number of Shares and Options on a post-Consolidation basis.

After the Consolidation becomes effective, the Company will arrange for new holding statements for Shares and Options to be issued to holders of those Securities.

It is the responsibility of each Shareholder or Optionholder to check the number of Shares or Options held prior to disposal.

3.5 Effect on capital structure

The effect of the Consolidation on the capital structure of the Company is as follows:

	Shares	Options
Current capital structure	436,707,975	185,489,080 ¹
Capital structure post Consolidation	43,670,797	18,548,908²

Note:

1. Prior to the Consolidation, Options have an exercise price of \$0.05 and an expiry date of 31 December 2014.
2. Post-Consolidation, Options will have an exercise price of \$0.50 and an expiry date of 31 December 2014.

3.6 Timetable for the Consolidation

The following is an indicative timetable of the key dates¹:

Event	Date
Meeting	10am (WST) on 24 July 2014
Notification to ASX of results of Meeting	24 July 2014
Last day for trading in Securities on a pre-Consolidation basis	25 July 2014
First day of trading in Consolidated Securities on a deferred settlement basis	28 July 2014
Last day to register transfers on a pre-Consolidation basis	30 July 2014
First day for Company to send notice to Securityholders of change to holdings as a result of Consolidation	31 July 2014
First day for Company to register Securities on a post-Consolidation basis and for issue of holding statements	

Event	Date
<p>Issue Date</p> <p>Last day for Securities to be entered into the Securityholders' security holdings and for Company to send notice to Securityholders of change of holdings as a result of the Consolidation</p> <p>Deferred settlement ends / normal (T+3) trading resumes</p>	<p>7 August 2014</p>

Note:

1. These dates are indicative only and may change subject to compliance with the requirements of the Corporations Act and Listing Rules.

3.7 Directors' recommendation

The Directors recommend that Shareholders vote in favour of Resolution 1.

Schedule 1 - Definitions

In the Notice and this Explanatory Memorandum:

\$ means Australian dollars.

ASIC means the Australian Securities and Investment Commission.

ASX means ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Board means the board of Directors from time to time.

Chairperson means the person appointed to chair the Meeting.

Company means Odyssey Energy Limited ACN 116 151 636

Consolidation means the consolidation of the Company's capital, on the basis of 1 Shares for every 10 Shares held and 1 Option for every 10 Options held.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors mean the directors of the Company.

Entitlement Issue has the meaning given in section 3.1.

Explanatory Memorandum means this explanatory memorandum.

Meeting has the meaning given in the introductory paragraph of the Notice.

Notice means the notice of general meeting which this Explanatory Memorandum accompanies.

Option means an option to acquire a Share.

Optionholder means the holder of an Option.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution in the Notice.

Schedule means the schedule to this Explanatory Memorandum.

Section means a section of this Explanatory Memorandum.

Security means a Share or Option.

Securityholder means a holder of a Share and/or Option.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

WST means Western Standard Time, being the time in Perth, Western Australia.

In the Notice and this Explanatory Memorandum, words importing the singular include the plural.

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Proxy Notes:

A Shareholder entitled to attend and vote at the Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting. If the Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy, the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified, each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that Meeting, the representative of the body corporate to attend the Meeting must produce the Certificate of Appointment of Representative prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name, all of the holders must sign.

Power of Attorney: if signed under a Power of Attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the Power of Attorney to this Proxy Form when you return it.

Companies: a Director can sign jointly with another Director or a Company Secretary. A sole Director who is also a sole Company Secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the Meeting, the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's Share Registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the Perth office of the Company (Level 9, 28 The Esplanade, Perth, WA, 6000, or by post to PO Box Z5083, Perth, WA, 6831 or Facsimile (08) 9322 6558 if faxed from within Australia, or +618 9322 6558 if faxed from outside Australia), not less than 48 hours prior to the time of commencement of the Meeting (WST).