



ODYSSEY
ENERGY LIMITED

ASX ANNOUNCEMENT

27 April 2020

MARCH 2020 QUARTERLY REPORT

The Directors of Odyssey Energy Limited (“**Odyssey**” or “**Company**”) are pleased to present the March 2020 quarterly report.

Activities during the quarter included:

- Odyssey has an acreage position with oil and gas rights in McLean County, Kentucky, USA. The project comprises a 100% working interest in oil and gas leases totalling 710 acres and located adjacent to the Rough Creek Fault System. There is the potential for small new conventional oil and gas pools in the area.
- The Company continues its efforts to identify and acquire suitable new business opportunities, currently focusing on the resources sector. The Company will make announcements to the market as appropriate should an acquisition occur.
- The Company is well funded with cash on hand at 31 March 2020 of \$14.27 million and no debt.
- Effective from 1 May 2019, the ASX suspended the Company’s securities from official quotation as the Company was not able to demonstrate compliance with Listing Rule 12.1 to the ASX’s satisfaction.

For enquiries, please contact:

Lachlan Lynch | **Company Secretary**

Tel: +61 8 9322 6322

Operations

McLean County Project – Odyssey 100% WI

The Company has an acreage position with oil and gas rights in McLean County, Kentucky, USA.

The project comprises a 100% working interest in oil and gas leases totalling 710 acres and are located adjacent to the Rough Creek Fault System, which forms the northern boundary of the Rough Creek Graben and is one of the major structural features in Western Kentucky.

Figure 1 shows the location of the Company's permits in relation to oil and gas field locations and the Rough Creek fault system. Although the majority of production on-trend is historic, there is potential for small new conventional oil and gas pools in the area.

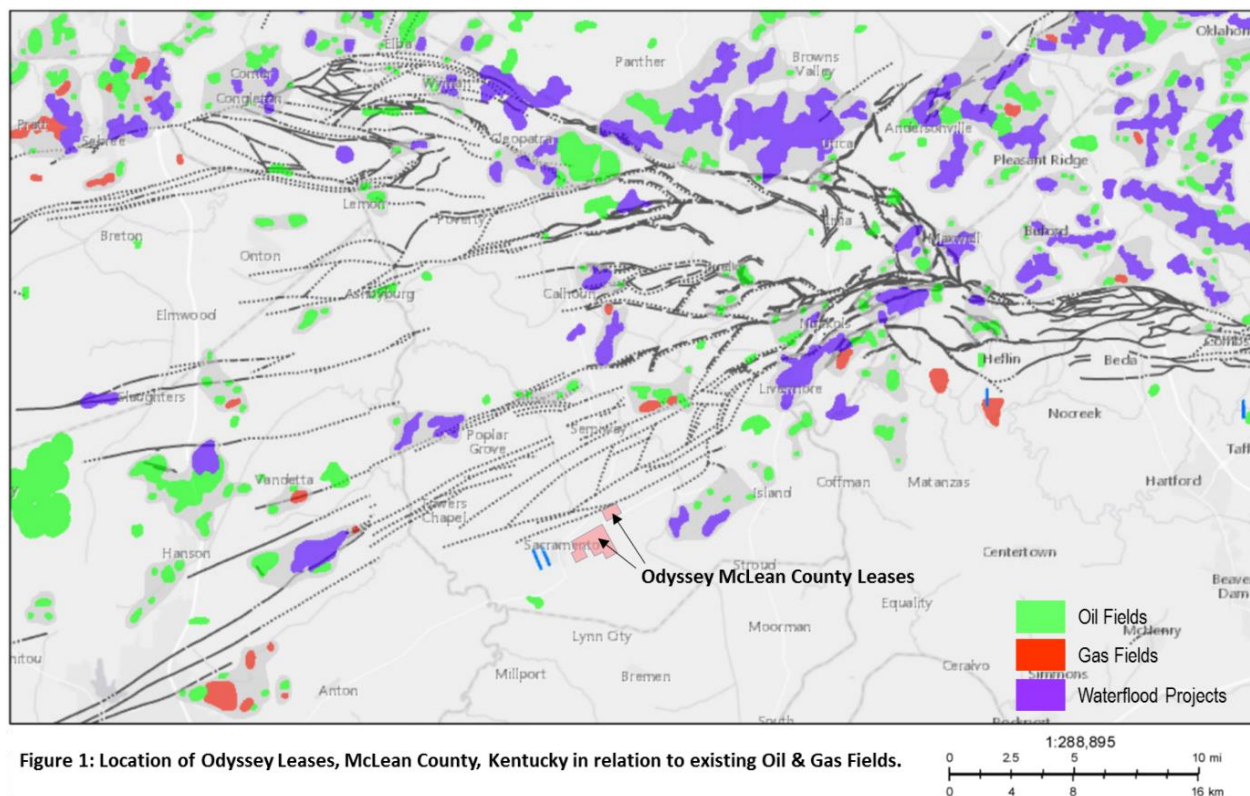


Figure 1: Location of Odyssey Leases, McLean County, Kentucky in relation to existing Oil & Gas Fields.

The Company had reviewed the prospectivity of the project area for both conventional and unconventional oil & gas targets, but particularly with regard to the potential of the New Albany Shale as an unconventional oil target. As a result, the leases were renewed in June 2019 for a further one-year period.

Corporate

The Company is well funded with cash on hand at 31 March 2020 of \$14.27 million and no debt. The Company has recently reduced Directors' fees and other overheads by 25% to reflect current market conditions.

As previously advised, the Company was notified by the ASX that its expenditure levels may not be sufficient to satisfy the requirements of Listing Rule 12.1 which require the Company's level of operations to be sufficient to warrant the continued quotation of its securities and its continued listing. As a result, of the Company not being able to demonstrate compliance with this rule to the ASX's satisfaction by close of business on 1 May 2019, the ASX suspended the Company's securities from official quotation.

ASX also advised the Company that if the Company proposes to enter into any transactions it must consult with the ASX so that it may consider the application of Listing Rule 11.1, and in particular Listing Rule 11.1.3.

Business Development

Numerous opportunities have been reviewed during the quarter, and the Company will continue in its efforts to identify and acquire suitable new business opportunities. The Company is currently focusing on new opportunities in the resources sector, both domestically and overseas.

However, no agreements have been reached or licences granted and the Directors are not able to assess the likelihood or timing of a successful acquisition or grant of any opportunities.

Disclosures in accordance with ASX Listing Rule 5.3

Summary of Exploration Tenements

As at 31 March 2020, the Company has an interest in the following project:

Project	Net Acreage Participation	Odyssey Working Interest
McLean County Project	710	100%

No exploration tenements were acquired or disposed of during the quarter.

Related Party Payments

During the quarter ended 31 March 2020, the Company made payments of \$50,475 to related parties and their associates. These payments relate to director's fees and superannuation (\$5,475) and for business development services, company secretarial services, administration services and provision of serviced office facilities (\$45,000).

This announcement has been authorised for release by the Company's Non-Executive Director, Mark Pearce.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

ODYSSEY ENERGY LIMITED

ABN

73 116 151 636

Quarter ended ("current quarter")

31 March 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	(35)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(5)	(23)
	(e) administration and corporate costs	(45)	(181)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	56	202
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other – Business Development	(37)	(70)
1.9	Net cash from / (used in) operating activities	(33)	(107)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	14,303	14,377
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(33)	(107)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	14,270	14,270

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	5	6
5.2 Call deposits	14,265	14,297
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	14,270	14,303

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

50

-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.
Add notes as necessary for an understanding of the sources of finance available to the entity.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

**Total facility
amount at quarter
end
\$A'000**

**Amount drawn at
quarter end
\$A'000**

-

-

-

-

7.5 Unused financing facilities available at quarter end

-

- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(33)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(33)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	14,270
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	14,270
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	432

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Not applicable

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Not applicable

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not applicable

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 April 2020

Authorised by: Company Secretary
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.