



ODYSSEY
ENERGY LIMITED

ABN 73 116 151 636

NOTICE OF ANNUAL GENERAL MEETING

**The Annual General Meeting of the Company will be held at
the Plaza Level, BGC Centre, 28 The Esplanade, Perth,
Western Australia on Tuesday 25 November 2014
commencing at 1:00pm (WST).**

This Notice and the accompanying Explanatory Statement 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 + 61 8 9322 6322.

Shareholders are urged to attend or vote by lodging the Proxy Form attached to the Notice.

ODYSSEY ENERGY LIMITED

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of shareholders of Odyssey Energy Limited (**Company**) will be held at Plaza Level, BGC Centre, 28 The Esplanade, Perth, Western Australia on Tuesday 25 November 2014 commencing at 1:00pm (WST) (**Meeting**).

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

The Directors have determined pursuant to regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Sunday 23 November 2014 at 5:00pm (WST).

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

AGENDA

1. Annual Report

To consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2014, which includes the Financial Report, the Directors' Report and the Auditor's Report.

2. Resolution 1 – Adoption of Remuneration Report

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

"That, pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given by the Shareholders for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

A vote on this Resolution must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or

- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on this Resolution, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
- (b) the person is the Chairperson and the appointment of the Chairperson as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairperson to exercise the proxy even if this Resolution is connected with the remuneration of a member of the Key Management Personnel.

3. Resolution 2 – Re-election of Director – Mr David Cruse

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

"That, pursuant to and in accordance with Article 6.3(c) of the Constitution and for all other purposes, Mr David Cruse, Director, retires and being eligible pursuant to Article 6.3(f) of the Constitution, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum."

4. Resolution 3 – Approval of 10% Placement Facility

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

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit if this Resolution is passed, except a benefit solely in the capacity of a holder of Shares, and any associate of that person (or those persons).

The Company will not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. Resolution 4 – Adoption of New Constitution

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

“That, pursuant to and in accordance with section 136 of the Corporations Act and for all other purposes, the Company repeal its current Constitution and adopt the New Constitution tabled at the Meeting and signed by the Chairperson for identification purposes be approved and adopted as the constitution of the Company, with effect from the close of the Meeting and on the terms and conditions set out in the Explanatory Memorandum.”

BY ORDER OF THE BOARD



Dylan Browne
Company Secretary

Dated: 21 October 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 Tuesday 25 November 2014 commencing at 1:00pm (WST).

This Explanatory Memorandum forms part of the Notice which should be read in its entirety. This Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

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

Section 2:	Action to be taken by Shareholders
Section 3:	Annual Report
Section 4:	Resolution 1 – Adoption of Remuneration Report
Section 5:	Resolution 2 – Re-election of Director – Mr David Cruse
Section 6:	Resolution 3 – Approval of 10% Placement Facility
Section 7:	Resolution 4 – Adoption of New Constitution
Schedule 1:	Definitions
Schedule 2:	Summary of New Constitution
Schedule 3:	Terms of Preference Shares
Schedule 4:	Proportional Takeover Bid Provisions
Schedule 5:	Unmarketable Parcels

A Proxy Form is located at the end of the Notice.

2. Action to be taken by Shareholders

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

2.1 Proxies

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 set out in the Proxy Form. Returning the Proxy Form will not preclude a Shareholder from attending or (subject to voting exclusions set out in the Notice) voting at the Meeting in person.

Please note that:

- (a) a Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a Shareholder; and
- (c) a Shareholder 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. 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 1:00pm (WST) on Sunday 23 November 2014, being at least 48 hours before the Meeting.

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

2.2 Voting Prohibition by Proxy Holders (Remuneration of Key Management Personnel)

A vote on Resolution 1 must not be cast:

- (a) by or on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member, regardless of the capacity in which the vote is cast; or
- (b) by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on Resolution 1, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on this Resolution; or
- (b) the person is the Chairperson and the appointment of the Chairperson as proxy does not specify the way the proxy is to vote on this Resolution, but expressly authorises the Chairperson to exercise the proxy even if this

Resolution is connected with the remuneration of a member of the Key Management Personnel.

The Chairperson intends to exercise all available proxies in favour of Resolution 1.

3. Annual Report

In accordance with section 317 of the Corporations Act, Shareholders will be offered the opportunity to discuss the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2014.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report which is available online at www.odysseenergy.com.au;
- (b) ask questions about, or comment on, the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairperson about the management of the Company, or to the Company's auditor about:

- (a) the preparation and content of the Auditor's report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Company's auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 – Adoption of Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out:

- (a) the Company's remuneration policy; and
- (b) the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

Pursuant to the Corporations Act, Shareholders will have the opportunity to remove the whole Board except the managing director if the Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2013 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2015 annual general meeting, this may result in the re-election of the Board.

The Chairperson will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

Resolution 1 is an ordinary Resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 1.

If the Chairperson is appointed as your proxy and you have not specified the way the Chairperson is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chairperson with an express authorisation for the Chairperson to vote the proxy in accordance with the Chairperson's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

5. Resolution 2 – Re-election of Director – Mr David Cruse

Article 6.3(c) of the Constitution requires that one third of the Directors must retire at each annual general meeting (rounded down to the nearest whole number).

Article 6.3(f) provides that a Director who retires under Article 6.3(c) of the Constitution is eligible for re-election.

Resolution 2 therefore provides that Mr David Cruse retires by rotation and seeks re-election as a Director.

Details of the qualifications and experience of Mr David Cruse are set out in the Annual Report.

Resolution 2 is an ordinary resolution.

The Chairperson intends to exercise all available proxies in favour of Resolution 2.

The Board (excluding Mr David Cruse) unanimously supports the re-election of Mr David Cruse as a Director.

6. Resolution 3 – Approval of 10% Placement Facility

6.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company has no immediate intention to use the 10% Placement Facility and is seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility, if required. The number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) below).

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Chairperson intends to exercise all available proxies in favour of Resolution 3.

6.2 Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the company.

The Company, as at the date of the Notice, has on issue Shares and Convertible Securities.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained Shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with Shareholder approval under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without Shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with Shareholder approval under Listing Rule 7.1 or 7.4.

(d) **Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of the Notice, the Company has on issue 93,374,026 Shares and therefore has a capacity to issue:

- (i) 14,006,103 Equity Securities under Listing Rule 7.1; and
- (ii) subject to obtaining Shareholder approval being sought under Resolution 3, 9,337,402 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) above).

(e) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) **10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of Shareholder approval of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (such period, the **10% Placement Period**).

6.3 Listing Rule 7.1A

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

6.4 Specific information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, information is provided as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of Convertible Securities, only if the Convertible Securities are converted into Shares). There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

- (c) The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Ordinary Securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of the Notice.

(d) The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of Ordinary Securities the Company has on issue. The number of Ordinary Securities on issue may increase as a result of issues of Ordinary Securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of Ordinary Securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.031 50% decrease in Issue Price	\$0.062 Issue Price	\$0.124 100% increase in Issue Price
Current Variable A 109,176,820 Shares	10% Voting Dilution	10,917,682 shares	10,917,682 shares	10,917,682 shares
	Funds raised	\$338,448	\$676,896	\$1,353,793
50% increase in current Variable A 163,765,230 Shares	10% Voting Dilution	16,376,523 shares	16,376,523 shares	16,376,523 shares
	Funds raised	\$507,672	\$1,015,344	\$2,030,689
100% increase in current Variable A 218,353,640 Shares	10% Voting Dilution	21,835,364 shares	21,835,364 shares	21,835,364 shares
	Funds raised	\$676,896	\$1,353,7936	\$2,707,585

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The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Convertible Securities (including any Convertible Securities issued under the 10% Placement Facility) are converted into Shares before the date of the issue of the Equity Securities;
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Convertible Securities, it is assumed that those Convertible Securities are converted into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - (vii) The Company issues 15,802,794 shortfall shares pursuant to the 3 for 2 renounceable entitlement offer. Refer to Section 6.4(k) below.
 - (viii) The issue price is \$0.062 being the closing price of Shares on the ASX on 20 October 2014.
- (e) The Company will only issue the Equity Securities during the 10% Placement Period.
- (f) The Company may seek to issue the Equity Securities for the following purposes:
 - (i) non-cash consideration in relation to costs associated with the acquisition of energy and resources assets and investments. In such circumstances, the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of energy and resources assets or investments (which may include costs associated with due diligence and engagement of advisors in assessing new energy and resource assets), continued exploration on the Company's existing oil and gas assets in the United States and/or exploration on any new energy and resource assets and activities.
- (g) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.
- (h) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the subscribers of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
 - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).
- (i) The subscribers under the 10% Placement Facility have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.
- (j) Further, if the Company is successful in acquiring new energy and resources assets or investments, it is possible that the subscribers under

the 10% Placement Facility will be the vendors of the new assets or investments.

- (k) The Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2012 and 2013 annual general meetings. In the 12 months preceding the date of the Meeting, the Company consolidated its capital on the basis of 1 Share for 10 existing Shares. Furthermore the Company:
 - (i) issued 49,703,298 Shares at an issue price of \$0.05 each under a 3 for 2 renounceable entitlement offer (**Entitlement Offer**), which represents approximately 114% of the total number of Equity Securities on issue 12 months prior to the Meeting on a post consolidation basis; and
 - (ii) has the capacity to issue up to 15,802,794 shortfall Shares under the Entitlement Offer. If the Company issues all 15,802,794 shortfall Shares prior to the Meeting, the Company would issue 65,506,092 Shares at an issue price of \$0.05 each, which represents approximately 150% of the total number of Equity Securities on issue 12 months prior to the Meeting on a post consolidation basis.

The Shares under the Entitlement Offer were issued on the same terms and conditions of the Shares already on issue.

- (l) The Shares were issued for cash consideration and a total amount of \$2,485,165 (before costs) was raised.
- (m) From the funds raised, nil has been spent as at the date of the Notice. The funds raised pursuant to the offer will enable the Company to continue the exploration activities and pursue new opportunities in the oil and gas sector and the remaining amount of funds will be spent on such activities.
- (n) A voting exclusion statement is included in the Notice for Resolution 3.
- (o) At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

6.5 Director Recommendation

The Directors unanimously recommend that Shareholders vote in favour of this Resolution.

7. Resolution 4 – Adoption of New Constitution

Section 136(2) of the Corporations Act provides that a company may modify or repeal its constitution, or a provision of its constitution, by special resolution.

Section 136(1) of the Corporations Act provides that after registration, a company may adopt a constitution by special resolution.

It is proposed that the Company's existing Constitution be updated to reflect compliance with current law and enable the Company to better function in accordance with its constituent documents.

Resolution 4 seeks Shareholder approval for the adoption of the New Constitution in accordance with section 136 of the Corporations Act. The New Constitution has been provided to ASX, as required under the Listing Rules.

A copy of the New Constitution will be sent to any Shareholder on request and will also be available for inspection at the office of the Company during normal business hours prior to the Meeting, and at the Meeting.

A summary of the New Constitution is set out in Schedule 2. Details of the preference share provisions contained in the New Constitution are set out in Schedule 3, details of the proportional takeover bid provisions contained in the New Constitution are set out in Schedule 4, and details of the disposal of unmarketable parcel provisions, contained in the New Constitution, are set in Schedule 5.

The New Constitution will incorporate amendments to the Corporations Act and Listing Rules since the existing Constitution was adopted in 2005. The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the New Constitution, rather than to amend a multitude of specific provisions.

The New Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature, including, but not limited to, updating references to bodies or legislation which have been renamed. The Directors believe these amendments are not material nor will they have any significant impact on Shareholders.

The New Constitution will be effective from the close of the Meeting.

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Board unanimously recommends that Shareholders vote in favour of Resolution 4.

The Chairperson intends to exercise all available proxies in favour of Resolution 4.

Schedule 1 - Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

10% Placement Facility has the meaning given to that term in Section 6.1.

10% Placement Period has the meaning given to that term Section 6.2(f).

Annual Report means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2014.

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

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors of the Company.

Chairperson means the person appointed to chair the Meeting convened by the Notice.

Closely Related Party means in relation to a member of a Key Management Personnel:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Odyssey Energy Limited ABN 73 116 151 636.

Constitution means the constitution of the Company as at the date of the Meeting.

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

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Security has the same meaning as in the Listing Rules.

Explanatory Memorandum means this explanatory memorandum which forms part of the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Convertible Security means a security of the Company which is convertible into Shares.

Listing Rules means the listing rules of ASX.

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

New Constitution means the proposed new Constitution the subject of Resolution 4.

Notice means the notice of meeting which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

Ordinary Security has the meaning given to that term in the Listing Rules.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution proposed pursuant to the Notice.

Schedule means a schedule to this Explanatory Memorandum.

Section means a section of this Explanatory Memorandum.

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

Shareholder means a registered holder of a Share.

Strike means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

VWAP means volume weighted average price.

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

Schedule 2 – Summary of New Constitution

Shares

The issue of shares and options by the Company is under the control of the Directors, subject to the Corporations Act, Listing Rules and any rights attached to any special class of shares.

Preference Shares

The Corporations Act requires certain rights of preference shares to be either set out in the New Constitution or approved in general meeting by special resolution before preference shares are issued.

The New Constitution sets out a framework of rights for preference share issues from which the Board can determine to issue preference shares, without the need to obtain further Shareholder approval every time an allotment of preference shares is proposed, provided that the preference shares are convertible into ordinary Shares. Schedule 6 to the New Constitution contains the framework as well as specific rights of preference shares as to the repayment of capital, requirements for redemption (if the preference shares are redeemable), participation in surplus assets and profits, voting rights and priority of payment of capital and dividends. Other specific terms, including the dividend amount, the redemption date (if applicable) and redemption amount (if applicable), would be set by the issuing resolution of the Directors.

Details of the preference share provisions are contained in Schedule 3.

Reductions of Capital

The New Constitution is consistent with the Corporations Act requirements which must be satisfied by the Company in undertaking an alteration of capital.

Liens

If the Company issues partly paid shares and a call made on those shares is unpaid, the Company will have a lien over the shares on which the call is unpaid. The lien may be enforced by a sale of those shares.

Transfer of Shares

The Company may participate in any clearing and settlement facility provided under the Corporations Act, the Listing Rules and the ASX Settlement Operating Rules (**Operating Rules**). Transfers under the Operating Rules are affected electronically in the Clearing House Electronic Sub register System (**CHESS**) operated by ASX Settlement Pty Ltd, a wholly owned subsidiary of ASX. For the purposes of the Company's participation in the CHESS, the Company may issue holding statements in lieu of share certificates. The Company will not charge any fee for registering a transfer of shares. The Directors may refuse to register a transfer of shares in the circumstances permitted or required under the Corporations Act and Listing Rules.

Proportional Takeovers

A proportional takeover bid is one in which the offeror offers only to buy a specified proportion of each Shareholders' shares.

The New Constitution provides for shareholder approval of any proportional takeover bid for the shares. Subject to the Listing Rules and ASX Settlement Operating Rules, the provisions require the Directors to refuse to register any transfer of shares made in acceptance of a proportional takeover offer until the requisite shareholder approval has been obtained.

The perceived advantages of including proportional takeover provisions in the New Constitution are that such provisions may:

- (a) enhance the bargaining power of Directors in connection with any potential sale of the Company;
- (b) improve corporate management through longer term planning by reducing the possible threat of a hostile takeover;
- (c) make it easier for Directors to discharge their fiduciary and statutory duties to the Company and its shareholders to advise and guide in the event of a proportional bid occurring; and
- (d) strengthen the position of shareholders of the Company in the event of a takeover, assuming the takeover will result in a sharing of wealth between the offeror and shareholders, as the more cohesive shareholders are in determining their response the stronger they are. A requirement for approval can force shareholders to act in a more cohesive manner. Where shareholders know that a bid will only be successful if a specified majority of shareholders accept the offer, they have less to fear by not tendering to any offer which they think is too low.

The perceived disadvantages of including proportional takeover provisions in the New Constitution include the following:

- (a) a vote on approval of a specific bid suffers from a bias in favour of the incumbent Board;
- (b) the provisions are inconsistent with the principle that a share in a public company should be transferable without the consent of other shareholders; and
- (c) a shareholder may lack a sufficient financial interest in any particular company to have an incentive to determine whether the proposal is appropriate.

To comply with the Corporations Act, the proportional takeover provisions must be renewed by shareholders in general meeting at least every 3 years to remain in place.

Details of the proportional takeover provisions are contained in Schedule 4.

Alterations of share capital

Shares may be converted or cancelled with shareholder approval and the Company's share capital may be reduced in accordance with the requirements of the Corporations Act and the Listing Rules.

Buy Backs

The Company may buy back shares in itself on terms and at such times determined by the Directors.

Disposal of less than a Marketable Parcel

For the sake of avoiding excessive administration costs, the New Constitution contains provisions enabling the Company to procure the disposal of shares where the Shareholder holds less than a marketable parcel of Shares within the meaning of the Listing Rules (currently being a parcel of shares with a market value of less than \$500). To invoke this procedure, the Directors must first give notice to the relevant shareholder holding less than a marketable parcel of shares, who may then elect not to have his or her Shares sold by notifying the Directors.

The proposed provisions of the New Constitution, relating to the disposal of unmarketable parcel, are set in Schedule 6.

Variation of class rights

Class rights attaching to a particular class of shares may be varied or cancelled with the consent in writing of holders of 75% of the shares in that class or by a special resolution of the holders of shares in that class.

Meetings of Shareholders

Directors may call a meeting of shareholders whenever they think fit. Shareholders may call a meeting as provided by the Corporations Act. The New Constitution contains provisions prescribing the content requirements of notices of meetings of shareholders and all shareholders are entitled to a notice of meeting. Consistent with the Corporations Act, a meeting may be held in two or more places linked together by audio-visual communication devices. A quorum for a meeting of Shareholders is 2 eligible voters.

The Company will hold Annual General Meetings in accordance with the Corporations Act and the Listing Rules.

Voting of Shareholders

Resolutions of shareholders will be decided by a show of hands unless a poll is demanded. On a show of hands each eligible voter present has one vote. On a poll each eligible shareholder has one vote for each fully paid share held and a fraction of a vote for each partly paid share determined by the amount paid up on that share.

Proxies

An eligible shareholder may appoint a proxy to attend and vote at the meeting on the shareholder's behalf. The New Constitution contains provisions specifying the manner of lodgement of proxy instruments. A shareholder may appoint an individual or corporation to act as its representative.

Directors

Unless changed by the Company in general meeting, the minimum number of directors is 3. The existing Directors and the Company may appoint a new Director to fill a casual vacancy or as an addition to the Board. Any such Director must retire at the next following annual general meeting of the Company (at which meeting he or she may be eligible for election as director). No Director other than the Managing Director may hold office for longer than 3 years without submitting himself or herself for re-election.

Powers of Directors

The business of the Company is to be managed by or under the direction of the Directors.

Remuneration of Directors

The Company may pay non-executive Directors a maximum of the total amount as determined by the shareholders in general meeting and such sum must not be paid by way of commission on, or percentage of, profits or operating revenue.

The remuneration of executive Directors will be subject to the provisions of any contract between each of them and the Company and may be by way of commission on, or percentage of, profits of the Company, but will not be by way of commission on, or percentage of, operating revenue.

Execution of documents

In accordance with the Corporations Act, the New Constitution provides for execution of documents by the Company without the use of the Company's company seal.

Dividends

Subject to and in accordance with the Corporations Act, the Listing Rules, the rights of any preference shares and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the shareholders entitled to the dividend. Subject to the rights of any preference shares and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the dividend as declared shall be payable on all shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such shares.

Indemnities and insurance

To the extent permitted by law, the Company indemnifies every person who is or has been a Director or secretary of the Company against a liability incurred by that person in his or her capacity as a Director or secretary provided that the liability does not arise out of conduct involving a lack of good faith (otherwise referred to as an excluded liability). A similar indemnity is provided in respect of legal proceedings. The Company may also pay the premiums on directors' and officers' liability insurance.

Schedule 3 – Terms of Preference Shares

1. Definitions

In this Schedule, unless the context otherwise requires:

Conversion Circumstances means, in respect of a Converting Preference Share, whether the Preference Share is liable to be converted or convertible:

- (a) at the option of the Holder, or of the Company, or both;
- (b) upon the happening of a particular event; or
- (c) at a fixed time.

Conversion Date means, in respect of a Converting Preference Share, the date (if any) specified in the Issue Resolution for the conversion of that Preference Share or the date upon which an event specified in the Issue Resolution occurs which results in the conversion of that Preference Share.

Conversion Number means the number, or formula for determining the number, of ordinary Shares into which a Converting Preference Share will convert upon conversion.

Converting Preference Share means a Preference Share which is specified in the Issue Resolution as being liable to be converted or convertible into ordinary Shares in a manner permitted by the Corporations Act, whether at the option of the Holder or otherwise.

Dividend means any distribution of any property (including without limitation, money, Paid Up shares, debentures, debenture stock or other securities of the Company or of any other Corporation) to a Holder in respect of a Preference Share as a dividend, whether interim or final.

Dividend Date means, in respect of a Preference Share, a date specified in the Issue Resolution on which a Dividend in respect of that Preference Share is payable.

Dividend Rate means, in respect of a Preference Share, the terms specified in the Issue Resolution for the calculation of the amount of Dividend to be paid in respect of that Preference Share on any Dividend Date, which calculation may be wholly or partly established by reference to an algebraic formula.

Franked Dividend has the meaning given in section 160APA of the *Income Tax Assessment Act 1936* (Cth).

Holder means, in respect of a Preference Share, the registered holder of that Share.

Issue Resolution means the resolution specified in paragraph 3 below.

Preference Share means a Share issued under Article 2.2 of the New Constitution.

Redeemable Preference Share means a Preference Share which is specified in the Issue Resolution as being liable to be redeemed in a manner permitted by the Corporations Act.

Redemption Amount means, in respect of a Redeemable Preference Share, the amount specified in the Issue Resolution to be paid on redemption of the Redeemable Preference Share.

Redemption Circumstances means, in respect of a Redeemable Preference Share, whether the Preference Share is liable to be redeemed:

- (a) at the option of the Holder, or of the Company, or both;
- (b) upon the happening of a particular event; or
- (c) at a fixed time.

Redemption Date means, in respect of a Redeemable Preference Share, the date specified in the Issue Resolution for the redemption of that Preference Share or the date upon which an event specified in the Issue Resolution occurs which results in the redemption of that Preference Share.

Specified Date means, in respect of a Redeemable Preference Share, the date (if any) specified in the Issue Resolution before which that Redeemable Preference Share may not be redeemed by the Holder.

2. Rights of Holders

Each Preference Share confers upon its Holder:

- (a) the rights referred to in articles 2.2(b) and 2.2(c) of the New Constitution;
- (b) the right in winding up to payment in cash of the amount then paid up on it, and any arrears of Dividend in respect of that Preference Share in priority to any other class of Shares;
- (c) the right in priority to any payment of a Dividend to any other class of Shares, to a cumulative preferential dividend payable on each Dividend Date in relation to that Preference Share calculated in accordance with the Dividend Rate in relation to that Preference Share; and
- (d) no right to participate beyond the extent elsewhere specified in this paragraph 2 in surplus assets or profits of the Company, whether in winding up or otherwise.

3. Issue Resolution

- (a) The Directors may allot a Preference Share by a resolution of the Directors specifying:
 - (i) the Dividend Date;
 - (ii) the Dividend Rate;
 - (iii) whether the Preference Share is or is not a Redeemable Preference Share;
 - (iv) if the Preference Share is a Redeemable Preference Share, the Redemption Amount, the Redemption Date, the Redemption Circumstances and any Specified Date for that Redeemable Preference Share;

- (v) whether the Preference Share is or is not a Converting Preference Share;
 - (vi) if the Preference Share is a Converting Preference Share, the Conversion Circumstances, the Conversion Number and any Conversion Date; and
 - (vii) any other terms and conditions to apply to that Preference Share.
- (b) The Issue Resolution in establishing the Dividend Rate for a Preference Share may specify that the Dividend is to be:
- (i) fixed;
 - (ii) variable depending upon any variation of the respective values of any factors in an algebraic formula specified in the Issue Resolution; or
 - (iii) variable depending upon such other factors as the Directors may specify in the Issue Resolution,
- and may also specify that the Dividend is to be a Franked Dividend or not a Franked Dividend.
- (c) Where the Issue Resolution specifies that the Dividend to be paid in respect of the Preference Share is to be a Franked Dividend the Issue Resolution may also specify:
- (i) the extent to which such Dividend is to be franked; and
 - (ii) the consequences of any Dividend paid not being so franked, which may include a provision for an increase in the amount of the Dividend to such an extent or by reference to such factors as may be specified in the Issue Resolution.

4. Redemption

- (a) The Company must redeem a Redeemable Preference Share on issue:
- (i) in the case where the Redeemable Preference Share is liable to be redeemed at the option of the Company, on the specified date where the Company, not less than 10 Business Days before that date, has given a notice to the Holder of that Redeemable Preference Share stating that the Redeemable Preference Share will be redeemed on the specified date;
 - (ii) in the case where the Redeemable Preference Share is liable to be redeemed at the option of the Holder, on the specified date where the Holder of that Redeemable Preference Share, not less than 10 Business Days before that date, has given a notice to the Company stating that the Redeemable Preference Share will be redeemed on the specified date; and
 - (iii) in any event, on the Redemption Date,

but no Redeemable Preference Share may be redeemed by the Holder before the Specified Date unless the Redemption Date occurs before that date.

- (b) On redemption of a Redeemable Preference Share, the Company, after the Holder has surrendered to the Company the Certificate (if any) in respect of that Redeemable Preference Share, must pay to the Holder the Redemption Amount by:
 - (i) directly crediting the account nominated in writing by the Holder from time to time; or
 - (ii) cheque made payable to the Holder or such other person nominated in writing by the Holder sent through the post to:
 - (A) in the case where the Holder is a joint holder of the Redeemable Preference Share, the address in the Register of the person whose name stands first on the Register in respect of the joint holding; or
 - (B) otherwise, to the address of the Holder in the Register.

5. Conversion

- (a) The Company must convert a Converting Preference Share on issue:
 - (i) in the case where the Converting Preference Share is liable to be redeemed at the option of the Company, on the specified date where the Company, not less than 10 Business Days before that date, has given a notice to the Holder of that Converting Preference Share stating that the Converting Preference Share will be converted on the specified date;
 - (ii) in the case where the Converting Preference Share is liable to be redeemed at the option of the Holder, on the specified date where the Holder of that Converting Preference Share, not less than 10 Business Days before that date, has given a notice to the Company stating that the Converting Preference Share will be converted on the specified date; and
 - (iii) in any event, on the Conversion Date.
- (b) On conversion of a Converting Preference Share the Company must allot to the Holder additional ordinary Shares such that following conversion the Holder holds that number of ordinary Shares in accordance with the Conversion Number. Conversion of a Converting Preference Shares does not constitute a cancellation, redemption or termination of a Converting Preference Share or the issue, allotment or creation of a new Share.
- (c) The allotment of additional ordinary Shares on Conversion does not constitute a cancellation, redemption or termination of a Converting Preference Share. Conversion is the taking effect of existing rights of a Converting Preference Share and the ending of the special rights attached to the Converting Preference Share.

- (d) Following Conversion, each Converting Preference Share will rank equally with and will confer rights identical with and impose obligations identical with all other fully paid ordinary Shares then on issue.

6. Certificate

The Certificate (if any) issued by the Company in relation to any Preference Share, must specify in relation to that Preference Share:

- (a) the date of issue of the Preference Share;
- (b) the Dividend Rate and Dividend Dates;
- (c) whether the Preference Share is a Redeemable Preference Share;
- (d) if the Preference Share is a Redeemable Preference Share, the:
 - (i) Redemption Circumstances;
 - (ii) Redemption Amount; and
 - (iii) Redemption Date to the extent possible or if not, the event which if it occurs will result in redemption of that Redeemable Preference Share;
- (e) if the Preference Share is a Converting Preference Share, the:
 - (i) Conversion Circumstances;
 - (ii) Conversion Number; and
 - (iii) Conversion Date to the extent possible or if not, the event which if it occurs will result in conversion of that Converting Preference Share; and
- (f) any other matter the Directors determine.

Schedule 4 – Proportional Takeover Bid Provisions

1. Definitions

In this Schedule:

Approving Resolution means a resolution to approve a proportional takeover bid in accordance with this Schedule.

Deadline means the 14th day before the last day of the bid period for a proportional takeover bid.

Voter means a person (other than the bidder under a proportional takeover bid or an associate of that bidder) who, as at the end of the day on which the first offer under that bid was made, held bid class securities for that bid.

2. Refusal of Transfers

(a) Requirement for an Approving Resolution

- (i) The Company must refuse to register a transfer of Shares giving effect to a takeover contract for a proportional takeover bid unless and until an Approving Resolution is passed in accordance with this Schedule.
- (ii) This Schedule ceases to apply on the 3rd anniversary of its last adoption, or last renewal, in accordance with the Corporations Act.

(b) Voting on an Approving Resolution

- (i) Where offers are made under a proportional takeover bid, the Directors must, call and arrange to hold a meeting of Voters for the purpose of voting on an Approving Resolution before the Deadline.
- (ii) The provisions of the New Constitution concerning meetings of Members (with the necessary changes) apply to a meeting held under paragraph 2(b)(i).
- (iii) Subject to the New Constitution, every Voter present at the meeting held under paragraph 2(b)(i) is entitled to one vote for each Share in the bid class securities that the Voter holds.
- (iv) To be effective, an Approving Resolution must be passed before the Deadline.
- (v) An Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected.
- (vi) If no Approving Resolution has been voted on as at the end of the day before the Deadline, an Approving Resolution is taken, for the purposes of this Schedule, to have been passed in accordance with this Schedule.

Schedule 5 – Unmarketable Parcels

1. Definitions

In this Schedule:

Sale Share means a Share which is sold or disposed of in accordance with this Schedule.

2. Power to Sell Unmarketable Parcels

(a) Existing unmarketable parcels

- (i)** The Company may sell the Shares of a Member if:
 - (A)** the total number of Shares of a particular class held by that Member is less than a marketable parcel;
 - (B)** the Company gives that Member notice in writing stating that the Shares are liable to be sold or disposed of by the Company; and
 - (C)** that Member does not give notice in writing to the Company, by the date specified in the notice of the Company (being not less than 42 days after the date of the Company giving that notice), stating that all or some of those Shares are not to be sold or disposed of.
- (ii)** The Company may only exercise the powers under paragraph 2(a)(i), in respect of one or more Members, once in any 12 month period.
- (iii)** The power of the Company under paragraph 2(a)(i) lapses following the announcement of a takeover bid. However, the procedure may be started again after the close of the offers made under the takeover bid.

(b) New unmarketable parcels

- (i)** The Company may sell the Shares of a Member if:
 - (A)** the Shares of a particular class held by that Member are in a new holding created by a transfer on or after 1 September 1999; and
 - (B)** that transfer is of a number of Shares of that class that was less than a marketable parcel at the time the transfer document was initiated, or in the case of a paper based transfer document, was lodged with the Company.
- (ii)** The Company may give a Member referred to in paragraph 2(b)(i) notice in writing stating that the Company intends to sell or dispose of the Shares.

3. Exercise of Power of Sale

(a) Extinguishment of interests and claims

The exercise by the Company of its powers under paragraph 2 extinguishes, subject to this Schedule:

- (i) all interests in the Sale Shares of the former Member; and
- (ii) all claims against the Company in respect of the Sale Shares by that Member, including all Dividends determined to be paid in respect of those Share and not actually paid.

(b) Manner of sale

- (i) The Company may sell or dispose of any Shares under paragraph 2 at any time:

- (A) using a financial services licensee on the basis that person obtains the highest possible price for the sale of the Shares; or
- (B) in any other manner and on any terms as the Directors resolve.

- (ii) The Company may:

- (A) exercise any powers permitted under the Applicable Law to enable the sale or disposal of Shares under this Schedule;
- (B) receive the purchase money or consideration for Sale Shares;
- (C) appoint a person to sign a transfer of Sale Shares; and
- (D) enter in the Register the name of the person to whom Sale Shares are sold or disposed.

- (iii) The person to whom a Sale Share is sold or disposed need not enquire whether the Company:

- (A) properly exercised its powers under this Schedule in respect of that Share; or
- (B) properly applied the proceeds of sale or disposal of those Shares,

and the title of that person is not affected by those matters.

- (iv) The remedy of any person aggrieved by a sale or disposal of Sale Shares is in damages only and against the Company exclusively.

- (v) A certificate in writing from the Company signed by a Director or Secretary that a Share was sold or disposed of in accordance with this Schedule is sufficient evidence of those matters.

(c) Application of proceeds

- (i) If the Company exercises the powers under paragraph 2, either the Company or the person to whom a Sale Share is sold or disposed of must pay the expenses of the sale or disposal.
- (ii) The Company must apply the proceeds of any sale or disposal of any Sale Shares in the following order:
 - (A) in the case of an exercise of the powers under paragraph 2, the expenses of the sale or disposal;
 - (B) the amounts due and unpaid in respect of those Shares; and
 - (C) the balance (if any) to the former Member or the former Member's Personal Representative, on the Company receiving the certificate (if any) for those Shares or other evidence satisfactory to the Company regarding the ownership of those Shares.

(d) Voting and dividend rights pending sale

- (i) If the Company is entitled to exercise the powers under paragraph 2, the Company may by resolution of the Directors remove or change either or both:
 - (A) the right to vote; and
 - (B) the right to receive Dividends,of the relevant Member in respect of some or all of the Shares liable to be sold or disposed of.
- (ii) After the sale of the relevant Sale Shares, the Company must pay to the person entitled any Dividends that have been withheld under paragraph 3(d)(i).

ODYSSEY ENERGY LIMITED

ABN 73 116 151 636

PROXY FORM

The Company Secretary
Odyssey Energy Limited

By delivery:

Level 9, 28 The Esplanade
PERTH WA 6000

By post:

PO Box Z5083
PERTH WA 6831

By facsimile:

+61 8 9322 6558

Name of
Shareholder:

Address of Shareholder:

Number of Shares entitled
to vote:

Please mark ☒ to indicate your directions. Further instructions are provided overleaf.

Proxy appointments will only be valid and accepted by the Company if they are made and received no later than 48 hours before the meeting.

Step 1 – Appoint a Proxy to Vote on Your Behalf

I/we being Shareholder/s of the Company hereby appoint:

The Chairperson
(mark box)

☐

OR if you are **NOT** appointing the Chairperson as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairperson, as my/our proxy to act generally on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit, except for Resolution 1) at the Annual General Meeting of Odyssey Energy Limited to be held at the Plaza Level, BGC Centre, 28 The Esplanade, Perth, Western Australia on Tuesday 25 November 2014 commencing at 1:00pm (WST) and at any adjournment or postponement of such meeting. If 2 proxies are appointed, the proportion or number of votes that this proxy is authorised to exercise is []% of the Shareholder's votes / [] of the Shareholder's votes. (An additional Proxy Form will be supplied by the Company, on request).

Important – If the Chairperson is your proxy or is appointed your proxy by default

The Chairperson intends to vote all available proxies in favour of Resolution 1. If the Chairperson is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to Resolution 1, you will be expressly authorising the Chairperson to vote in accordance with the Chairperson's voting intentions on Resolution 1 even if Resolution 1 is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

Step 2 – Instructions as to Voting on Resolutions

The proxy is to vote for or against the Resolutions referred to in the Notice as follows:

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report			
Resolution 2	Re-election of Director – Mr David Cruse			
Resolution 3	Approval of 10% Placement Facility			
Resolution 4	Adoption of the New Constitution			

* If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Authorised signature/s: This section **must** be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

The Chairperson intends to vote all available proxies in favour of each Resolution.

Individual or Shareholder 1

Sole Director and Sole Company
Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

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).