



ODYSSEY
ENERGY LIMITED

ODYSSEY ENERGY LIMITED
ABN 73 116 151 636

**Interim Financial Report
for the Half Year Ended
31 December 2019**

CORPORATE DIRECTORY

Directors

Mr Ian Middlemas – Chairman
 Mr Mark Pearce – Non-Executive Director
 Mr David Cruse – Non-Executive Director

Company Secretary

Mr Lachlan Lynch

Registered and Corporate Office

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 Perth WA 6000

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Stock Exchange Listing

Australian Securities Exchange
 Home Branch – Perth
 Level 40, Central Park
 152-158 St Georges Terrace
 Perth WA 6000

ASX Code

ODY – Fully paid ordinary shares

Solicitors

DLA Piper

Auditor

Deloitte Touche Tohmatsu

Bankers

Australia and New Zealand Banking Group Limited

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The Board of Directors of Odyssey Energy Limited present their report on Odyssey Energy Limited ("the Company" or "Odyssey") and the entities it controlled during the half year ended 31 December 2019 (the "Group").

DIRECTORS

The names of the Directors of Odyssey in office during the half year and until the date of this report are:

Mr Ian Middlemas	Chairman
Mr Mark Pearce	Non-Executive Director
Mr David Cruse	Non-Executive Director

Unless otherwise shown, all Directors were in office from the beginning of the half year until the date of this report.

OPERATING AND FINANCIAL REVIEW

Operations

Activities during the half year and since the end of the half year include:

- The Company continued in its efforts to identify and acquire suitable new business opportunities in the oil and gas, resources and other sectors, both domestically and overseas.
- 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 is located adjacent to the Rough Creek Fault System. The leases were renewed in June 2019 for a further one-year period. The McClean County Project is adjacent to historical gas wells and a review indicated the potential for small new conventional oil and gas pools in the area.
- Effective from 1 May 2019, the Australian Securities Exchange ("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.
- As at 31 December 2019, the Company had approximately \$14.3 million in cash reserves placing the Company in a strong position to conduct its current activities and to pursue new business development opportunities.

McLean County Project – Odyssey 100% WI

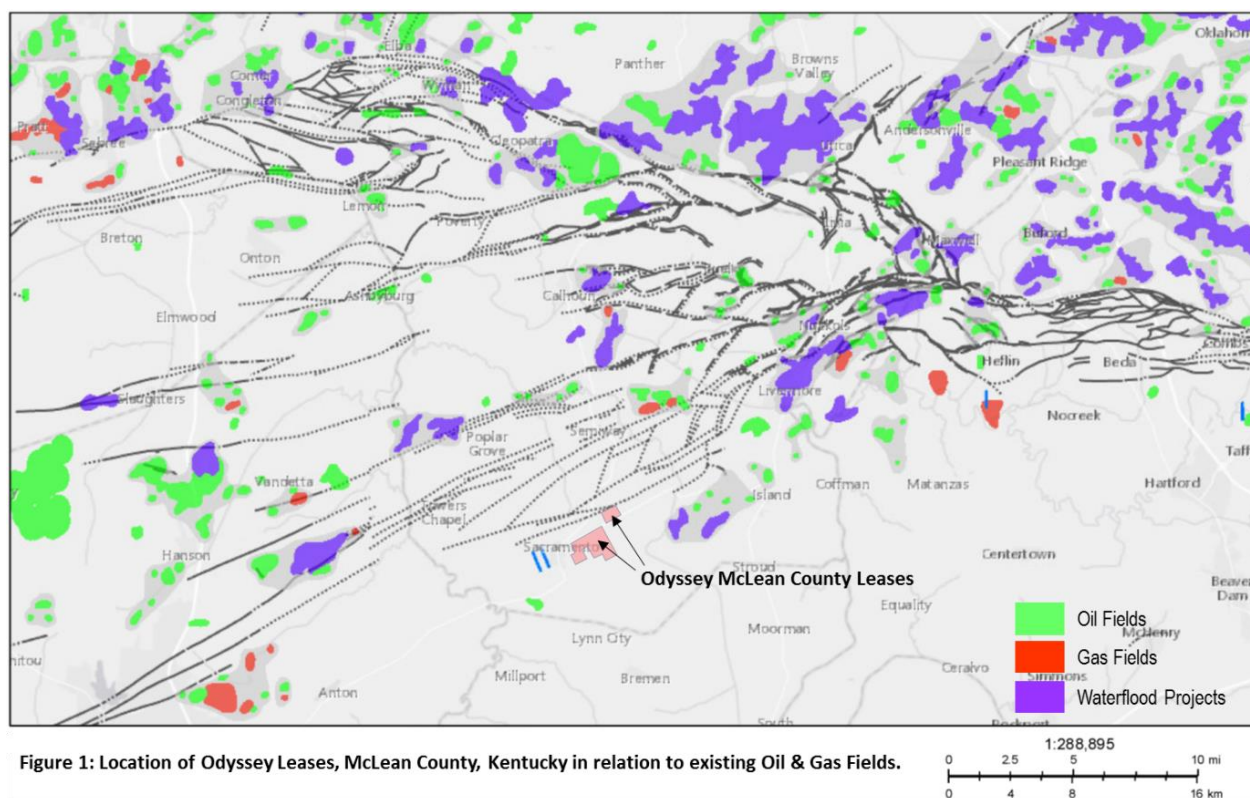
The Company has an acreage position with oil and gas rights in McLean County, Kentucky, USA.

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.

The Company had reviewed the prospectivity of the project area for both conventional and unconventional oil and 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.

OPERATING AND FINANCIAL REVIEW (Continued)



Business Development

Numerous opportunities have been reviewed during the half year, and the Company will continue in its efforts to identify and acquire suitable new business opportunities in the oil and gas and resources sectors, 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.

Results of Operations

	Half Year Ended 31 December 2019 \$	Half Year Ended 31 December 2018 \$
Loss of the Group before income tax expense	(85,007)	(30,054)
Income tax expense	-	-
Net loss for the half year	(85,077)	(30,054)

Financial Position

The Group had cash reserves of \$14,303,051 at 31 December 2019 (30 June 2019: \$14,377,143) and no debt, placing the Group in an excellent position to conduct its current activities and to pursue new business development opportunities.

DIRECTORS' REPORT

(Continued)



ODYSSEY
ENERGY LIMITED

OPERATING AND FINANCIAL REVIEW (Continued)

Corporate

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. The Company notes that in accordance with ASX Guidance Note 33, it is the ASX's policy to remove a Company from the official list where the Company's securities have been suspended from quotation for a continuous period of two years.

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.

SUBSEQUENT EVENTS AFTER BALANCE DATE

Other than as already disclosed, at the date of this report there were no other significant events occurring after balance date requiring disclosure.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the Corporations Act 2001 requires our auditors, Deloitte Touche Tohmatsu, to provide the Directors of Odyssey Energy Limited with an Independence Declaration in relation to the review of the half year financial report. This Independence Declaration is on page 4 and forms part of this Directors' Report.

This report is made in accordance with a resolution of the directors made pursuant to section 306(3) of the Corporations Act 2001.

For and on behalf of the Directors

MARK PEARCE
Director

5 March 2020



Deloitte Touche Tohmatsu
ABN 74 490 121 060

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The Board of Directors
Odyssey Energy Limited
Level 9, BGC Centre
28 The Esplanade
Perth, WA 6000

5 March 2020

Dear Board Members

Odyssey Energy Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Odyssey Energy Limited.

As lead audit partner for the review of the financial statements of Odyssey Energy Limited for the half-year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

David Newman
Partner
Chartered Accountants

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**CONSOLIDATED STATEMENT OF
PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**
FOR THE HALF YEAR ENDED 31 DECEMBER 2019



ODYSSEY
ENERGY LIMITED

	Note	Half Year Ended 31 December 2019 \$	Half Year Ended 31 December 2018 \$
Continuing Operations			
Interest revenue		126,470	185,206
Administration expenses		(129,135)	(144,882)
Business development expenses		(82,342)	(25,378)
Exploration expenses		-	(45,000)
Loss before income tax expense		(85,007)	(30,054)
Income tax expense		-	-
Net loss for the half year		(85,007)	(30,054)
Loss attributable to members of Odyssey Energy Limited		(85,007)	(30,054)
Other comprehensive income, net of income tax:			
<i>Items that will not be reclassified subsequently to profit or loss</i>		-	-
<i>Items that may be reclassified subsequently to profit or loss</i>		-	-
Other comprehensive income for the half year, net of tax		-	-
Total comprehensive loss for the half year		(85,007)	(30,054)
Total comprehensive loss attributable to members of Odyssey Energy Limited		(85,007)	(30,054)
Basic and diluted loss per share from continuing operations (cents per share)		(0.03)	(0.01)

The above Consolidated Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**
AS AT 31 DECEMBER 2019

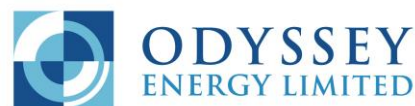


ODYSSEY
ENERGY LIMITED

	Note	31 December 2019 \$	30 June 2019 \$
ASSETS			
Current Assets			
Cash and cash equivalents	3	14,303,051	14,377,143
Trade and other receivables	4	49,547	64,379
Total Current Assets		14,352,598	14,441,522
TOTAL ASSETS		14,352,598	14,441,522
LIABILITIES			
Current Liabilities			
Trade and other payables		51,752	55,669
Total Current Liabilities		51,752	55,669
TOTAL LIABILITIES		51,752	55,669
NET ASSETS		14,300,846	14,385,853
EQUITY			
Contributed equity	5	39,932,389	39,932,389
Reserves		94,859	94,859
Accumulated losses		(25,726,402)	(25,641,395)
TOTAL EQUITY		14,300,846	14,385,853

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY**
FOR THE HALF YEAR ENDED 31 DECEMBER 2019



	Contributed Equity \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2019	39,932,389	94,859	(25,641,395)	14,385,853
Net loss for the period	-	-	(85,007)	(85,007)
Total comprehensive loss for the period	-	-	(85,007)	(85,007)
Transactions with owners, recorded directly in equity				
Issue of shares	-	-	-	-
Share issue transaction costs	-	-	-	-
Balance at 31 December 2019	39,932,389	94,859	(25,726,402)	14,300,846
Balance at 1 July 2018	39,932,389	94,859	(25,536,897)	14,490,351
Net loss for the period	-	-	(30,054)	(30,054)
Total comprehensive loss for the period	-	-	(30,054)	(30,054)
Transactions with owners, recorded directly in equity				
Issue of shares	-	-	-	-
Share issue transaction costs	-	-	-	-
Balance at 31 December 2018	39,932,389	94,859	(25,566,951)	14,460,297

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT
OF CASH FLOWS**
FOR THE HALF YEAR ENDED 31 DECEMBER 2019



ODYSSEY
ENERGY LIMITED

	Half Year Ended 31 December 2019 \$	Half Year Ended 31 December 2018 \$
Cash flows from operating activities		
Payments to suppliers and employees	(228,815)	(192,937)
Interest received	146,212	128,272
GST refunds received	8,511	11,055
Net cash outflows from operating activities	(74,092)	(53,610)
Cash flows from investing activities		
Other investing activities	-	-
Net cash outflow from investing activities	-	-
Cash flows from financing activities		
Proceeds from issue of shares	-	-
Share issue transaction costs	-	-
Net cash outflow from financing activities	-	-
Net decrease in cash and cash equivalents held	(74,092)	(53,610)
Cash and cash equivalents at 1 July	14,377,143	14,493,329
Cash and cash equivalents at 31 December	14,303,051	14,439,719

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Odyssey Energy Limited (the “Company” or “Odyssey”) is a for profit company limited by shares and incorporated in Australia, whose shares are publicly traded on the Australian Securities Exchange. The consolidated interim financial statements of the Company as at and for the period from 1 July 2019 to 31 December 2019 comprise the Company and its subsidiaries (together referred to as the “Group”). The nature of the operations and principal activities of the Group are as described in the Directors’ Report.

The interim consolidated financial statements of the Group for the half year ended 31 December 2019 were authorised for issue in accordance with the resolution of the directors on 5 March 2020.

(a) Basis of Preparation of Half Year Financial Report

This consolidated general purpose financial report for the interim half year reporting period ended 31 December 2019 has been prepared in accordance with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2019 and any public announcements made by Odyssey Energy Limited and its controlled entities during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (“AASBs”) and interpretations adopted by the Australian Accounting Standards Board (“AASB”) and the Corporations Act 2001. The financial statements comprise the financial statements of the Group.

The principal accounting policies adopted in the preparation of the financial report have been consistently applied to all the periods presented, unless otherwise stated. The significant accounting judgements, estimates and assumptions adopted in the half-year financial report are consistent with those applied in the preparation of the Group’s annual financial report for the year ended 30 June 2019, except for those that have arisen as a result of new standards, amendments to standards and interpretations effective from 1 January 2019, as outlined in note 1(b).

(b) Statement of Compliance

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board.

(c) Changes in Significant Accounting Policies

The accounting policies adopted in the preparation of the half-year financial report are consistent with those applied in the preparation of the Group’s annual financial report for the year ended 30 June 2019, except for new standards, amendments to standards and interpretations effective 1 January 2019 as set out below.

In the current half year, the Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period. New and revised standards and amendments thereof and interpretations effective for the current reporting period that are relevant to the Group include:

(c) Changes in Significant Accounting Policies (Continued)

- AASB 16 Leases
- Interpretation 23 Uncertainty over Income Tax Treatments
- AASB 2017-7 Amendments – Long-term Interests in Associates and Joint Venture Amendments to IAS 28 and Illustrative Example – Long-term Interests in Associates and Joint Ventures
- AASB 2018-1 Amendments – Annual Improvements 2015-2017 Cycle
- AASB 2018-2 Amendments – Plan Amendment, Curtailment or Settlement (AASB 119)

The adoption of the aforementioned standards have resulted in an immaterial impact on interim financial statements of the Group as at 31 December 2019. A discussion on the impact of the adoption of AASB 16 is included below.

AASB 16 Leases

AASB 16 Leases has replaced the previous accounting requirements for leases under AASB 117 Leases. Under the previous requirements, leases were classified based on their nature as either finance leases, which were recognised on the Statement of Financial Position, or operating leases, which were not recognised on the Statement of Financial Position.

Under AASB 16 Leases, the Group's accounting for operating leases as a lessee will result in the recognition of a right-of-use (ROU) asset and an associated lease liability on the Statement of Financial Position. The lease liability represents the present value of future lease payments, with the exception of short-term and low value leases. An interest expense will be recognised on the lease liabilities and a depreciation charge will be recognised for the ROU assets. There will also be additional disclosure requirements under the new standard.

The Group's adoption of AASB 16 has resulted in no impact to the financial statements of the Group due to the fact that the Group has not entered into any transactions or arrangements that would be accounted for as a lease under the new standard.

(d) Issued standards and interpretations not early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the Group for the reporting period ended 31 December 2019. Those which may be relevant to the Group are set out in the table below, but these are not expected to have any significant impact on the Group's financial statements:

Standard/Interpretation	Application Date of Standard	Application Date for Company
AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business	1 January 2020	1 July 2020
AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material	1 January 2020	1 July 2020
Conceptual Framework	1 January 2020	1 July 2020
2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework	1 January 2020	1 July 2020

2. SEGMENT INFORMATION

The Group operates in one segment, being the resources sector in the United States of America. This is the basis on which internal reports are provided to the Directors for assessing performance and determining the allocation of resources within the Group.



3. CASH AND CASH EQUIVALENTS

	31 December 2019 \$	30 June 2019 \$
Cash at bank and on hand	6,505	2,790
Short term deposits	14,296,546	14,374,353
Total cash and cash equivalents	14,303,051	14,377,143

4. CURRENT ASSETS – TRADE AND OTHER RECEIVABLES

	31 December 2019 \$	30 June 2019 \$
Accrued interest	42,504	62,246
GST receivable	7,043	2,133
Total trade and other receivables	49,547	64,379

5. CONTRIBUTED EQUITY

	31 December 2019 \$	30 June 2019 \$
(a) Share Capital		
327,530,455 (30 June 2019: 327,530,455) fully paid ordinary shares	39,932,389	39,932,389

(b) Movements in Share Capital during the past 6 months:

There were no movements in share capital during the 6 months ended 31 December 2019.

6. CONTINGENT ASSETS AND LIABILITIES

At the last annual reporting date, the Group did not have any contingent assets or liabilities. There has been no material change in contingent assets and liabilities of the Group during the half year.

7. FAIR VALUE OF FINANCIAL INSTRUMENTS

The value of the Group's financial assets and liabilities, which comprises of cash and cash equivalents, trade and other receivables and trade and other payables may be impacted by foreign exchange movements. At 31 December 2019 and 30 June 2019, the carrying value of the Group's financial assets and liabilities approximate their fair value.

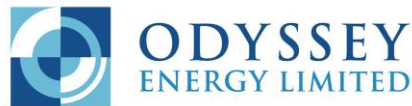
8. DIVIDENDS PAID OR PROVIDED FOR

No dividend has been paid or provided for during the half year.

9. SUBSEQUENT EVENTS AFTER BALANCE DATE

Other than as already disclosed, at the date of this report there were no other significant events occurring after balance date requiring disclosure.

DIRECTORS' DECLARATION



In accordance with a resolution of the Directors of Odyssey Energy Limited, I state that:

In the opinion of the Directors:

- (a) the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including:
 - (i) section 304 (compliance with accounting standards and Corporations Regulations 2001); and
 - (ii) section 305 (true and fair view); and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the Board

A handwritten signature in black ink, appearing to read "M Pearce".

MARK PEARCE
Director

5 March 2020



Deloitte Touche Tohmatsu
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Independent Auditor's Review Report to the members of Odyssey Energy Limited

We have reviewed the accompanying half-year financial report of Odyssey Energy Limited ('the Company'), which comprises the condensed consolidated statement of financial position as at 31 December 2019, and the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Odyssey Energy Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Deloitte.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Odyssey Energy Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Odyssey Energy Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

DELOITTE TOUCHE TOHMATSU

David Newman
Partner
Chartered Accountants
Perth, 5 March 2020