

ASX ANNOUNCEMENT

9 June 2015

Major expansion in scale of operations for The Hemp Corporation Pty Ltd

The directors of Odin Energy Ltd refer to the announcement on 28th April 2015 outlining the execution by Odin Energy Ltd (“Odin” or “The Company”) of a Memorandum of Understanding (“MOU”) for the potential acquisition of 100% of The Hemp Corporation Pty Ltd (“THC”), via a to be incorporated special purpose vehicle (“SPV”).

The Company has now been informed by THC of the execution of a revised Terms Sheet between Ecofibre Industries Operations Pty Ltd (“Ecofibre”) and THC for the intended acquisition by THC of Ecofibre.

The directors of THC have confirmed with the Company that it is their intention to incorporate the THC / Ecofibre term sheet into the ODN / THC MOU.

This significantly increases the scale of operations and the intellectual property (“IP”) within Odin’s acquisition of the expanded THC group.

Below are details of some of the salient features of THC and Ecofibre.

Ecofibre Highlights:

- Owns one of the world’s largest and most diverse genetic seed collections of cannabis;
- Advanced plant breeding capabilities targeting multiple uses and applications for hemp;
- The largest hemp seed producer in Australia with production in Qld, NSW and Tasmania, for re-propagation of fibre and other crop;
- The largest Australian owned grower/producer of hemp seed for oil and seed meal;
- The first company in the last 80 years to achieve a pre-approved DEA import/export of commercial live cannabis seed to the US under the USDA research programme;
- The first sub-tropical seed trials in Kentucky in 2014, and in North Dakota, Hawaii and Tennessee in 2015;
- Signed term sheets for joint ventures/licensed partnerships in the USA and Uruguay;
- The first and only full hemp fibre mill processing system in the southern hemisphere, developed and operated from its research farm in the Hunter Valley;
- The first Australian company to launch Australian grown industrial hemp fibre crop products to the Australian market;
- Active in hemp commodities trading and global facilitation;

- Has furthered the development of IP in plastic applications for high volume use of industrial hemp cellulose commodities;
- Has presented a number of scientific papers on hemp agronomy and processing to national and international forums including UK, US, China, Germany and Canada; and
- Since the late 1990's has had representatives on various advisory boards, both nationally and internationally, reviewing new legislative frameworks (and their implementation) for industrial hemp.

THC highlights:

- THC controls the supply and procurement process of hemp from seed propagation, planting, harvesting, processing and distribution at various sites within WA;
- THC holds an industrial hemp growing licence in Western Australia, with plans to apply nationally; and
- Has recently harvested the 20 hectares of hemp planted as a trial in Gingin, WA; with plans to commercially upscale in the near term to > 200 hectares.

Ecofibre is a unique entity in the global cannabis industry. It has developed a vertically integrated value chain of IP, from seed to sales in all aspects of the industrial hemp/cannabis industry. Essentially, Ecofibre is an Australian company, producing sustainable hemp fibre for industry (both local and overseas) and is Australia's leading hemp research, development and commercialisation company, involved in all aspects of the base fibre value chain. Based in Maleny, Queensland, Ecofibre operates in hemp agronomy and production, plant breeding and related research, material science and new applications, plus the development of domestic and international fibre markets.

The founder of the company, Philip Warner, has been in the industry for over 17 years and has achieved an international reputation as an industry development leader.

During the last 5 years Ecofibre and its subsidiaries have spent over \$10million on research activities.

The proposed acquisition of Ecofibre by THC will significantly enhance THC's goals of being a vertically integrated cannabis and hemp aggregator, allowing it to capitalise on mass scale commercial operations of cannabis across a range of industries including industrial/construction, textiles, composites, food and medical/biotech.

THC will now be able to manage all aspects of the cannabis industry supply chain and the directors and management team possess all the necessary expertise in producing, harvesting, processing and distributing multiple cannabis products and commodities.

Along with Ecofibre's research, operational and distribution experience, THC possesses the corporate expertise required to form an aggregated model that encompasses the entire value/supply chain of the industry.

That the entire supply chain is owned and/or controlled by the expanded THC/Ecofibre group is a key distinction from other recent entries into the Australian capital markets.

Essentially, with access to the right seed genetics, farming and processing technology, with the ability to produce commodities directed specifically to market, the THC/Ecofibre group have the capability to become a global presence in all aspects of the hemp industry.

The Group's near term objective is to promote one of the most sustainable and robust agricultural commodities available, at the same time creating a series of IP gateways and a commercial platform, that will be able to achieve substantial near-term revenue in this rapidly consolidating industry.

The Commercial Opportunity

The directors and management of THC and Ecofibre believe there is an unprecedented commercial opportunity to grow exponentially with the growing demand in the global cannabis/hemp industry. This opportunity is not only in the production and marketing of a series of commodities but also exists in the advanced development of IP on all industry segment levels.

Cannabis/Hemp as a commodity has multiple product applications, including textiles, bio-cellulose, raw input product for renewable energy technology ("RET") solutions, bio-fuels, medicinal applications, and food to name but a few. The perception surrounding hemp and its growth and use are rapidly changing socially, politically and commercially.

Both Ecofibre and THC recognise the inherent synergies and opportunities arising from the combined group.

In Western Australia, they believe that significant opportunity exists in the commercial utilisation of northern Western Australian agricultural areas, often working closely with indigenous communities.

To this extent, THC has already signed an MOU with Indigenous Engineering Services ("IES") (refer below) and expansion is also anticipated in the Northern Territory, where government initiatives have already identified industrial hemp as a commercial potential.

Growth in Western Australia and the Northern Territory enhances the potential to service Asian markets with both food and industrial commodities.

As referred to above THC has also signed a MOU with IES, a traditional land owner group. IES is a well-respected company and holds the capability to access a vast amount of arable land for the commercial cultivation of cannabis/hemp. The IES/THC partnership will provide an ethical platform to facilitate and negotiate with various traditional land owners to establish strong, sustainable and successful partnerships within this burgeoning industry.

THC has currently completed the trialling of a 20 hectare lot in Western Australia and is awaiting final results of the exercise. Conditional off take agreements for this harvest have been agreed upon with 3 separate building and construction companies who utilise hemp as a primary source of raw material. It is currently intended to re-plant this area and upscale to a combined production area in excess of 200 hectares in the coming months.

Memorandum of Understanding

The MOU between Odin/THC envisages a share sale agreement ("SSA") to be executed between Odin and a newly incorporated SPV, to acquire the operations of THC. This will include, but not be limited to, the following terms:

- Odin being satisfied with its commercial and technical due diligence;
- 100% of the THC shareholders agreeing to the share sale agreement terms and conditions;
- THC obtaining all required shareholder approvals;
- Odin obtaining all shareholder approvals to enable the transaction to be completed; and
- Conditional listing approval being received from the ASX and re-compliance with chapters 1 and 2 of the ASX listing rules.

Other Activities

Odin retains its working interest in the offshore gas project located in Texas state waters in the US.

For further information, please contact Mr Alex Bajada, Executive Chairman, Odin Energy Limited on +61 8 9429 2900

FOR FURTHER INFORMATION CONTACT

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