

# ODYSSEY ENERGY LIMITED

20 December 2010

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MR JOHN SMITH 1  
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123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

Dear Shareholder

## Notice to Shareholders of a Non-Renounceable Pro Rata Entitlements Issue

We write to you as a registered holder of Odyssey Energy Limited (**Odyssey**) Shares (ASX code: ODY).

As announced on 30 September 2010, the Directors of Odyssey have resolved to undertake a non-renounceable pro rata offer of up to 143,699,892 Shares at an issue price of \$0.02 each on the basis of one Share for every two Shares held at the Record Date plus one Listed Option exercisable at \$0.05 each on or before 31 December 2014 for every two Shares issued pursuant to the Offer (**Offer**).

The Offer is available to Odyssey shareholders who have a registered address in Australia on the record date of 4 January 2011 (**Record Date**).

The prospectus in relation to the Offer has been lodged with the ASIC and ASX and is available at the ASX website: [www.asx.com.au](http://www.asx.com.au) and at the Company's website: [www.odysseyenergy.com.au](http://www.odysseyenergy.com.au).

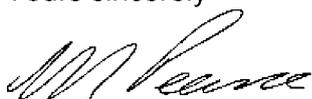
You will be entitled to participate in the Offer if you remain registered as a shareholder of Odyssey on the Record Date with a registered address in Australia. The timetable for the Offer is as follows:

Announcement of Offer and lodge Appendix 3B	30 September 2010
Lodgement of Prospectus with ASIC and ASX / Amended Appendix 3B	14 December 2010
Company sends letter to Shareholders containing information required by Appendix 3B	20 December 2010
Existing Shares quoted on an "ex" basis	24 December 2010
<b>Record date for determining entitlements under the Offer</b>	<b>4 JANUARY 2011</b>
Prospectus and Entitlement and Acceptance Form despatched to Eligible Shareholders	10 January 2011
Closing Date – <i>Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer.</i>	31 January 2011
Securities quoted on a deferred settlement basis	1 February 2011
Odyssey notifies ASX of under subscriptions	3 February 2011
Date for despatch of holder statements – <i>Indicative date only</i>	8 February 2011
Anticipated date of commencement of trading of Securities	9 February 2011

A copy of the prospectus will be sent to you if you are a shareholder at the Record Date with a registered address in Australia.

If you are in doubt about what to do, you should contact your professional adviser without delay.

Yours sincerely



Mark Pearce  
**Company Secretary**