ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE: 26 SEPTEMBER 2006

FIRST JESTER-BLOOMINGTON WELL DRILLED

The Board of Odyssey Energy Limited ("Odyssey" or "Company") is pleased to advise that the first well at the Company's 33.3% owned Jester-Bloomington Gas Field Re-Development Project in Oklahoma has been drilled.

The McAlexander#1 well was drilled as an inclined development well. Both the Brown Dolomite and Granite Wash reservoirs were intersected with a gross thickness of approximately 120 feet and good gas shows.

The well is scheduled to be completed, fracture stimulated and tested over coming weeks. The Joint Venture is negotiating access to nearby gas gathering lines and associated production infrastructure as well as the rights to a number of adjacent shut-in wells, with a view to re-completing these wells in conjunction with the McAlexander#1 test.

North Helper Gas Project, Carbon County, Utah (Odyssey 30% Working Interest).

In respect to the Company's North Helper Gas Project, the Company advises:

- *Accelerated Drilling Program: 3 wells have been drilled to date, (Cordingly Canyon 15-5, Cordingly Canyon 10-1 and Cordingly Canyon 11-1), with the program likely to extend into Q1 2007 for a total of 20 wells within the project area.*

- *Completion Program: All of the 6 Ferron wells drilled to date have been completed & tied into infrastructure and are cycling through clean-up and dewatering operations with associated gas sales. Concurrently the vertical Cordingly Canyon 15-5 and directional Cordingly Canyon 10-1 wells are being completed as dedicated Mancos Shale producers and will provide key insights into the viability of this large secondary play in the project area.*

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