



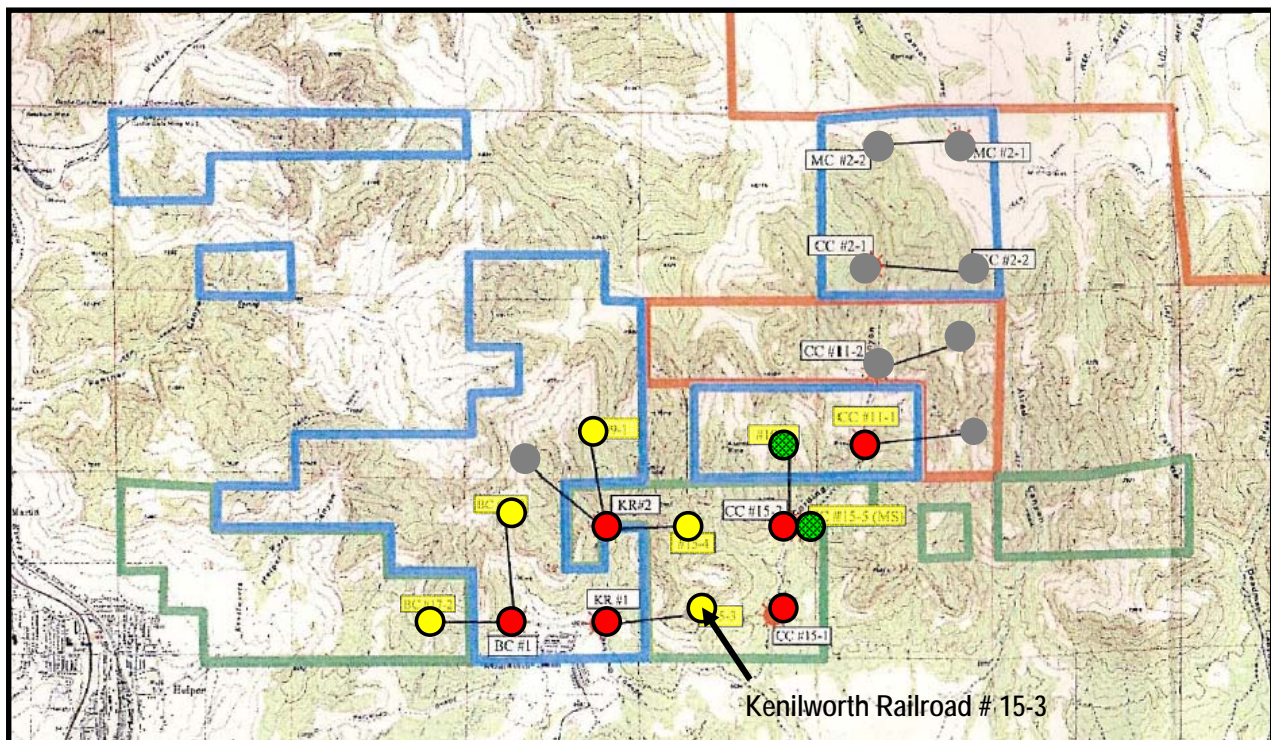
ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE: 16 NOVEMBER 2006

**KENILWORTH RAILROAD # 15-3 WELL COMMENCES DRILLING IN
NORTH HELPER GAS PROJECT, UTAH**

The Board of Odyssey Energy Limited is pleased to announce that drilling of the Kenilworth Railroad # 15-3 well has commenced in the North Helper Gas Project. This is the fourth well in the project's accelerated 15 well drilling program and will be the ninth well completed in the project area to date.

Kenilworth Railroad # 15-3 is being drilled as a directional well from the existing Kenilworth Railroad # 1 drilling pad, and is designed to intersect the Ferron sand and coal objectives mid-way between Kenilworth Railroad # 1 and Cordingly Canyon # 15-1, effectively completing drilling on a 160 acre spacing in this area of the field.

Five of the other six Ferron wells drilled to date are tied into production infrastructure and are continuing the process of cleaning-up and de-watering. This process has been temporarily suspended at Kenilworth Railroad # 1 while the 15-3 well is being drilled and completed.



Location of 6 Ferron wells (red), 2 Mancos Shale wells (green) and remaining wells in current 8-well first stage of the North Helper Accelerated Drilling Program (yellow).

Participating Working Interests* in the North Helper Gas Project are:

Marion Energy Limited (ASX: MAE)	48.75%
Odyssey Energy Limited (ASX: ODY)	30.00%
Pegasi Energy	10.625%
Private Interests	10.625%

* Subject to Back-in Rights on Farmin Acreage

<i>Enquiries-</i>	<i>Mark O'Clery</i>	<i>Managing Director</i>
	<i>Contact Details:</i>	<i>Telephone: (61 8) 9322 6322</i>
		<i>Facsimile: (61 8) 9322 6558</i>