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ODIN ENERGY LIMITED

31 JULY 2009

QUARTERLY REPORT

FOR THE 3 MONTHS ENDED 30 JUNE 2009

HIGHLIGHTS

- Odin Energy having terminated the Farmin Agreement PEL 106 Spinel Block has enjoined Great Artesian Oil and Gas Ltd (a subsidiary of Drillsearch Energy Ltd) to the legal action for the return of \$4.5m.
- Three GAL307 offshore wells completed, flow tested and caisson built. Flow lines and production platform are estimated to be completed in late September/early October (post 2009 hurricane season) with anticipated net production to Odin of 450 Mcfe/d.

Corporate

Legal Action

The Farmin Agreement PEL 106 Spinel Block was terminated by notice to Kompliment Pty Ltd (a wholly owned subsidiary of Blue Energy Limited (BUL)). Odin Energy has commenced legal action against BUL and Great Artesian Oil and Gas Ltd (a subsidiary of Drillsearch Energy Ltd(DSL)). DSL has been joined to the action for the return of \$4.5 million.

Operations

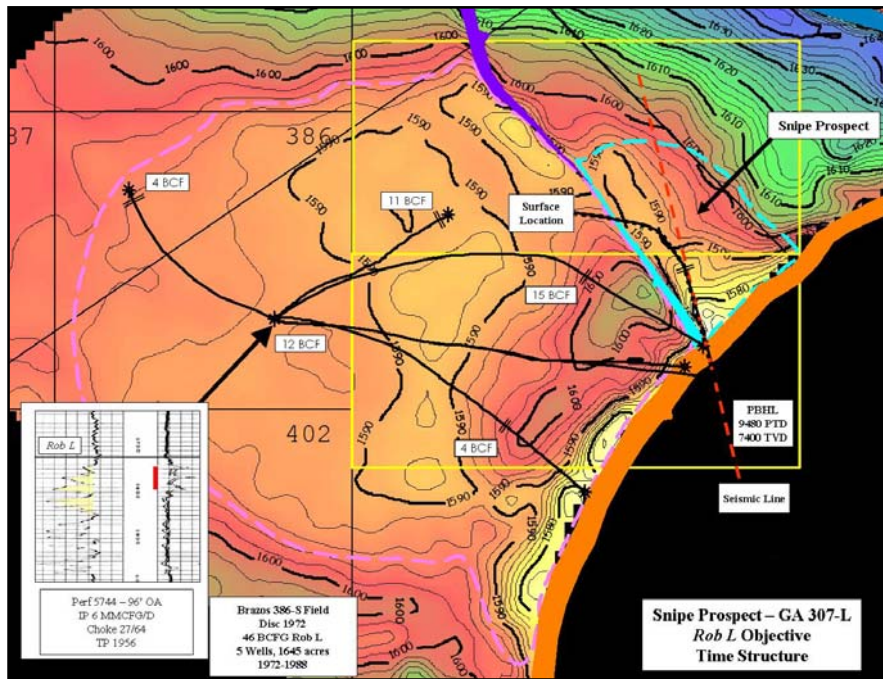
Galveston 307 Prospect (Snipe, Egret and Sandpiper), Texas State Waters (WI 5.625% NRI 4.5% post Odin earn-in)

Three directional wells were successfully drilled, cased and tested from the same location in the 1st and 2nd Quarter of 2009 generating gross proven reserves in excess of 17 Bcfe. The wells were tested at a combined flow rate in excess of 10,000 Mcf/d (450 Mcf/d net to Odin).

A production caisson has been installed, production facilities and platform are being designed and permitted and it is anticipated the wells will come on line in mid October, at the end of the hurricane season and when gas prices are forecast to be increasing.

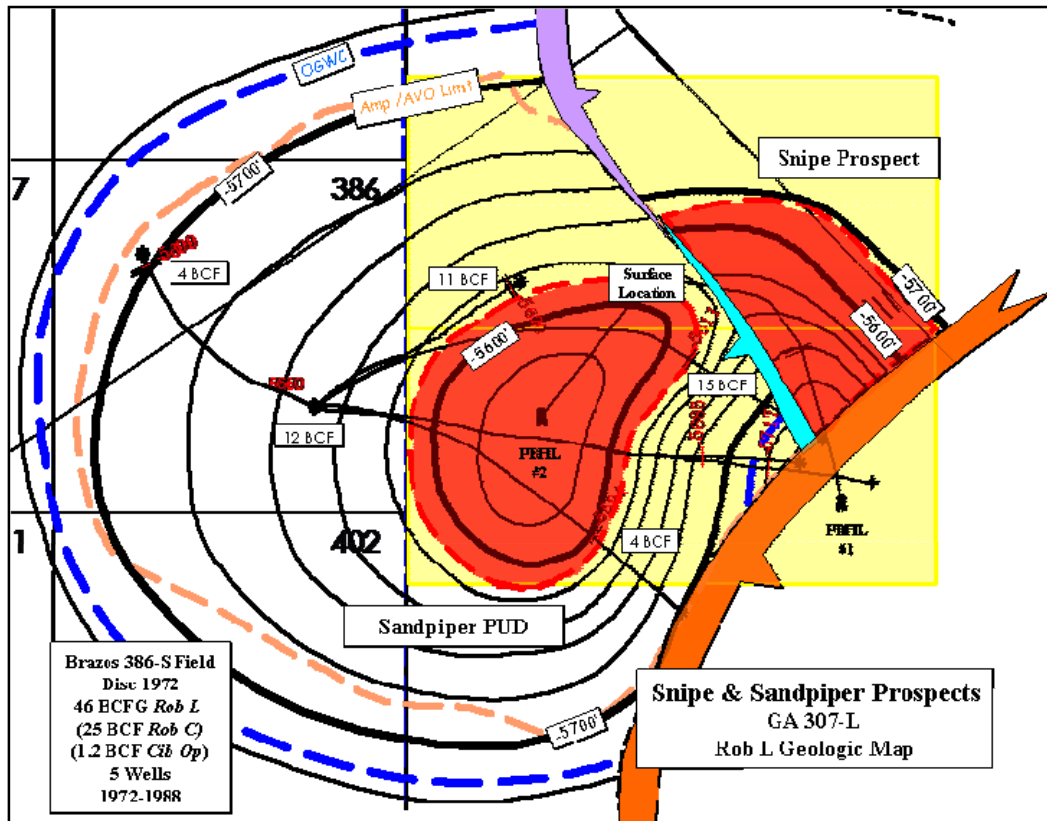
Odin has, together with Kilgore Oil and Gas Ltd, already commenced discussions regarding the sale of their interests in GAL 307. Terms are likely to be finalised towards the end of 2009 when the wells have been in production for several months and gas prices are likely to be higher.

Snipe Prospect – Rob L Structure



Sandpiper Prospect - Rob L Structure Map

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For Further Information Contact:

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Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

ODIN ENERGY LIMITED

ABN

75 124 491 416

Quarter ended ("current quarter")

30 June 2009

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for		
(a) exploration and evaluation	(62)	(425)
(b) development	-	-
(c) production	-	-
(d) administration	(350)	(1,270)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	287	435
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(125)	(1,260)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a)prospects	-	(2,386)
(b)equity investments	(328)	(449)
(c)other fixed assets	(3)	(3)
1.9 Proceeds from sale of:		
(a)prospects	-	-
(b)equity investments	26	9,849
(c)other fixed assets	-	-
1.10 Loans to other entities	-	(76)
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)		
Interest bearing loans @12%pa	(1,151)	(4,010)
Net investing cash flows	(1,453)	2,925
1.13 Total operating and investing cash flows (carried forward)	(1,578)	1,665

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Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,578)	1,665
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (capital raising costs)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(1,578)	1,665
1.20	Cash at beginning of quarter/year to date	3,785	542
1.21	Exchange rate adjustments to item 1.20		
		2,207	2,207
1.22	Cash at end of quarter		

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	125
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Consulting fees

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	-
Total	100

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	303	78
5.2 Deposits at call	1,904	3,707
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	2,207	3,785

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>	10,500 (convertible preference shares)	Unquoted class		
7.2 Changes during quarter				
(a) Increases through issues	-			
(b) Decreases through returns of capital, buy-backs, redemptions	-			
7.3 +Ordinary securities	107,730,005	81,730,005		
7.4 Changes during quarter				
(a) Increases through issues	-			
(b) Decreases through returns of capital, buy-backs	-			
7.5 +Convertible debt securities <i>(description)</i>	-			
7.6 Changes during quarter				
(a) Increases through issues	-			
(b) Decreases through securities matured, converted	-			
7.7 Options <i>(description and conversion factor)</i>	Unlisted - 1,000,000 1,000,000 105,364,999	105,364,999	<i>Exercise price</i> 25 cents 50 cents 25 cents	<i>Expiry date</i> 31 Dec 2012 31 Dec 2012 30 Nov 2012
7.8 Issued during quarter	-			
7.9 Exercised during quarter	-			
7.10 Expired during quarter	-			
7.11 Debentures <i>(totals only)</i>	-			
7.12 Unsecured notes <i>(totals only)</i>	-			

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.



Sign here:Date: ..31 July 2009.....
(~~Director~~/Company secretary)

Print name: .D Ballantyne.....

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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