

ODYSSEY PETROLEUM CORP.

TSX-V Symbol: ODE
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NEWS RELEASE

**Consolidated Odyssey Exploration and U.S. Oil and Gas
Resources Complete Plan of Arrangement to Form Odyssey
Petroleum Corp.**

(August 26, 2005) Odyssey Petroleum Corp. (TSX-V: ODE) announces the completion, effective August 25, 2005, of a plan of arrangement (the "Arrangement") involving Consolidated Odyssey Exploration Inc. ("Consolidated Odyssey"), U.S. Oil and Gas Resources Inc. ("USR") and their respective securityholders under section 288 of the *Business Corporations Act* (British Columbia).

The Arrangement was approved by shareholders of Consolidated Odyssey and USR at shareholder meetings held July 29, 2005, was approved by the Supreme Court of British Columbia on August 4, 2005 and was accepted by the TSX Venture Exchange on August 25, 2005.

The transactions comprising the Arrangement principally involved:

- (a) the acquisition by Consolidated Odyssey of all of the issued and outstanding shares of USR by way of a share exchange, pursuant to which every two (2) issued shares of USR were exchanged for one (1) common share of Consolidated Odyssey;
- (b) Consolidated Odyssey changing its name to Odyssey Petroleum Corp.; and
- (c) the amalgamation of Consolidated Odyssey and USR pursuant to a vertical short form amalgamation, with the amalgamated entity continuing under the name Odyssey Petroleum Corp.

Pursuant to the Arrangement, all pre-existing options, warrants and convertible securities of (i) USR were exchanged for comparable securities of Odyssey Petroleum Corp., subject to adjustments to reflect the exchange ratio, and (ii) Consolidated Odyssey were exchanged for comparable securities of Odyssey Petroleum Corp.

Former shareholders of Consolidated Odyssey and USR will be mailed letters of transmittal for the purpose of receiving share certificate(s) of Odyssey Petroleum Corp. (or payment in lieu thereof in the case of small lot shareholders not electing within 30 days of the completion of the Arrangement to receive shares of Odyssey Petroleum Corp.).

Effective at the opening on August 26, 2005, the shares of Odyssey Petroleum Corp. will commence trading on the TSX Venture Exchange, retaining the trading symbol "ODE", and the shares of Consolidated Odyssey and USR will be delisted.

The directors and officers of **Odyssey Petroleum Corp.** are as follows:

Whitney Pansano, President, Chief Operating Officer and Director
Joe DeVries, Chief Executive Officer and Director
Dennis Petke, Chief Financial Officer and Secretary
Basil Pantages, Director
Jurgen Wolf, Director
Claude Roy, Director
Gilbert Talafuse, Director

As a result of the Arrangement, Odyssey Petroleum Corp. will have approximately 112,890,096 issued and outstanding shares on an undiluted basis (subject to rounding, fractional shares and payment in cash in lieu of shares for small lot shareholders).

For further particulars of the Arrangement, please refer to the joint information circular of Consolidated Odyssey and USR filed on SEDAR under their profiles on June 30, 2005.

ON BEHALF OF ODYSSEY PETROLEUM CORP.

“Joe DeVries

Joe DeVries, Chief Executive Officer

Email: pubco@odysseyexplorations.com

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.