

Odyssey Oil & Gas, Inc.  
Form 10-Q  
May 24, 2010

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2010

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file Number 333-106299

ODYSSEY OIL AND ENERGY, INC

(Exact name of small business issuer as specified in its charter)

ODYSSEY OIL AND GAS, INC.  
(Former Name of Registrant)

FLORIDA  
(State or other jurisdiction of incorporation  
or organization)

65-1139235  
(IRS Employer Identification No.)

18 George Avenue  
Rivonia, 2128 South Africa  
Address of Principal Executive Offices

+27 (11) 807-1446

(Issuer's telephone number)

Check whether the issuer: (1) filed all documents reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).  Yes  No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The number of shares of the registrant's common stock, par value \$0.0001 per share, outstanding as of May 21 was 228,566,500 shares.

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<b>PART I. FINANCIAL INFORMATION</b>	
Item 1. Consolidated Condensed Financial Statements and Notes - Quarter Ended March 31, 2010	4
Item 2. Management's Discussion and Analysis or Plan of Operations	21
Item 3. Quantitative and Qualitative Disclosures about Market Risk.	24
Item 4T. Controls and Procedures	24
<b>PART II. OTHER INFORMATION</b>	
Item 1. Legal Proceedings	25
Item 1A. Risk Factors	25
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	25
Item 3. Default Upon Senior Securities	25
Item 4. Removed and Reserved	25
Item 5. Other Information	25
Item 6. Exhibits and Reports on Form 8-K	25
Signatures	26

### FORWARD LOOKING STATEMENT

Certain statements contained in this discussion and analysis or incorporated herein by reference that are not related to historical results are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Statements that are predictive, that depend upon or refer to future events or conditions, and/or that include words such as "expects," "anticipates," "intends," "plans," "believes," "estimates," "hopes," and similar expressions constitute forward-looking statements. In addition, any statements concerning future financial performance (including future revenues, earnings or growth rates), business strategies or prospects, or possible future actions by us are also forward-looking statements.

These forward-looking statements are based on beliefs of our management as well as current expectations, projections, assumptions and information currently available to the Company and are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results or those anticipated or implied by such forward-looking statements. Should one or more of those risks or uncertainties materialize or should underlying expectations, projections and assumptions prove incorrect, actual results may vary materially from those described. Those events and uncertainties are difficult to predict accurately and many are beyond our control. We assume no obligation to update these forward-looking statements to reflect events or circumstances that occur after the date of these statements except as specifically required by law. Accordingly, past results and trends should not be used to anticipate future results or trends.

Item 1. Financial Statements

Unaudited condensed consolidated financial statements as of the quarter ended March 31, 2010 are submitted in compliance with Rule 210.8-03 of Regulation S-X.

ODYSSEY OIL & ENERGY, INC. & SUBSIDIARIES  
(F/K/A ODYSSEY OIL & GAS, INC. & SUBSIDIARIES)  
(A DEVELOPMENT STAGE COMPANY)

CONTENTS

PAGE	5	CONDENSED CONSOLIDATED BALANCE SHEETS AS OF MARCH 31, 2010 (UNAUDITED) AND DECEMBER 31, 2009
PAGE	6	CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS FOR THE THREE MONTHS ENDED MARCH 31, 2010 AND 2009 AND FOR THE PERIOD FROM MAY 28, 2003 (INCEPTION) TO MARCH 31, 2010 (UNAUDITED)
PAGES	7 – 9	CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT) FOR THE PERIOD FROM MAY 28, 2003 (INCEPTION) TO MARCH 31, 2010 (UNAUDITED)
PAGES	10 – 11	CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE THREE MONTHS ENDED MARCH 31, 2010 AND 2009 AND FOR THE PERIOD FROM MAY 28, 2003 (INCEPTION) TO MARCH 31, 2010 (UNAUDITED)
PAGES	12 - 20	NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

ODYSSEY OIL & ENERGY, INC. & SUBSIDIARIES  
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(A DEVELOPMENT STAGE COMPANY)  
CONDENSED CONSOLIDATED BALANCE SHEETS

	As of March 31, 2010 (Unaudited)	As of December 31, 2009
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 24,920	\$ 4,907
Loans receivable, net of allowance for doubtful accounts of \$594,000 and \$0, respectively	47,851	729,589
<b>Total Current Assets</b>	<b>72,771</b>	<b>734,496</b>
Property & Equipment, net	1,000	1,000
Loan receivable - Hylem Water (Pty) Ltd.	25,780	-
<b>TOTAL ASSETS</b>	<b>\$ 99,551</b>	<b>\$ 735,496</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 670,559	\$ 557,842
Loans payable and accrued interest - related parties	435,119	425,030
<b>Total Liabilities</b>	<b>1,105,678</b>	<b>982,872</b>
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>STOCKHOLDERS' DEFICIT</b>		
Preferred stock, \$.0001 par value, 20,000,000 shares authorized, none issued and outstanding	-	-
Common stock, \$.0001 par value, 650,000,000 shares authorized, 228,566,500 shares issued and outstanding	22,857	22,857
Additional paid-in capital	66,476,078	66,473,078
Accumulated deficit during development stage	(67,511,125)	(66,750,595)
Accumulated other comprehensive income	6,063	7,284
<b>Total Stockholders' Deficit</b>	<b>(1,006,127)</b>	<b>(247,376)</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<b>\$ 99,551</b>	<b>\$ 735,496</b>

See accompanying notes to unaudited condensed consolidated financial statements.

ODYSSEY OIL & ENERGY, INC. & SUBSIDIARIES  
(F/K/A ODYSSEY OIL & GAS, INC. & SUBSIDIARIES)  
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CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS  
(UNAUDITED)

For the Three Months Ended March 31, 2010    For the Three Months Ended March 31, 2009    For the Period from July 28, 2003 (Inception) to March 31, 2010

	For the Three Months Ended March 31, 2010	For the Three Months Ended March 31, 2009	For the Period from July 28, 2003 (Inception) to March 31, 2010
REVENUE	\$ -	\$ -	\$ 26,695
<b>OPERATING EXPENSES</b>			
Drilling costs and expenses	-	-	51,886
General and administrative	148,730	16,358	1,997,435
Professional fees	10,297	12,609	168,812
Amortization	-	-	33,400
Impairment of investment in oil and gas leases	-	-	247,931
Impairment of bio-fuels plant development contract	-	-	36,717,235
Total Operating Expenses	159,027	28,967	39,216,699
LOSS FROM CONTINUING OPERATIONS	(159,027)	(28,967)	(39,190,004)
<b>OTHER INCOME (EXPENSE)</b>			
Interest income	-	1	2,794
Interest expense	(7,503)	(6,331)	(80,773)
Total Other Income (Expense)	(7,503)	(6,330)	(77,979)
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	(166,530)	(35,297)	(39,267,983)
Provision for Income Taxes	-	-	-
LOSS FROM CONTINUING OPERATIONS	(166,530)	(35,297)	(39,267,983)
GAIN ON DISPOSAL OF SUBSIDIARIES	-	-	745,118
LOSS FROM DISCONTINUED OPERATIONS	(594,000)	(504)	(32,733,852)
NET LOSS	(760,530)	(35,801)	(71,256,717)
<b>OTHER COMPREHENSIVE INCOME</b>			
Foreign currency translation (loss) gain	(1,221)	532	6,063
COMPREHENSIVE LOSS	\$ (761,751)	\$ (35,269)	\$ (71,250,654)
<b>LOSS PER COMMON SHARE - BASIC AND DILUTED</b>			
Continuing operations	\$ (0.00)	\$ (0.00)	
Discontinued operations	(0.00)	(0.00)	
	\$ (0.00)	\$ (0.00)	

Total Basic and Diluted Loss per Common Share

Weighted average number of shares outstanding during the year -		
Basic and Diluted	228,566,500	143,742,500

See accompanying notes to unaudited condensed consolidated financial statements.



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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)  
FOR THE PERIOD FROM MAY 28, 2003 (INCEPTION) TO MARCH 31, 2010  
(UNAUDITED)

	Preferred Stock Shares	Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Accumulated Deficit During Development Stage	Accumulated Other Comprehensive Income	Deferred Stock Compensation	Total
Common stock issued to founders for cash (\$.03 per share)	-	\$ -	7,500	\$ 1	\$ 249	\$ -	\$ -	\$ -	\$ 250
Common stock issued for license (\$.03 per share)	-	-	49,500,000	4,950	1,645,050	-	-	-	1,650,000
Common stock issued to officer as compensation (\$.03 per share)	-	-	21,375,000	2,138	710,362	-	-	-	712,500
Common stock issued for cash (\$.03 per share)	-	-	2,400,000	240	79,760	-	-	-	80,000
Common stock issued for cash (\$.15 per share)	-	-	833,334	83	124,917	-	-	-	125,000
Common stock issued to consultant for services (\$.03 per share)	-	-	24,600,000	2,460	817,540	-	-	-	820,000
Net loss for the period from May 28, 2003 (inception) to December 31, 2003	-	-	-	-	-	(1,737,805)	-	-	(1,737,805)
Balance, December 31, 2003	-	-	98,715,834	9,872	3,377,878	(1,737,805)	-	-	1,649,945

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Common stock issued for cash (\$0.15 per share)	-	-	2,016,693	202	302,301	-	-	-	302,503
Net loss, 2004	-	-	-	-	-	(551,203)	-	-	(551,203)
Balance, December 31, 2004	-	-	100,732,527	10,074	3,680,179	(2,289,008)	-	-	1,401,245
Common stock issued in reverse merger	-	-	33,292,500	3,329	(3,329)	-	-	-	-
Common stock issued to officer for services (\$0.01 per share)	-	-	15,000,000	1,500	148,500	-	-	-	150,000
Common stock cancelled related to license rights (\$0.01 per share)	-	-	(49,500,000)	(4,950)	(490,050)	-	-	-	(495,000)
In-kind contribution	-	-	-	-	12,000	-	-	-	12,000
Warrants issued for non-exclusive license	-	-	-	-	143,238	-	-	-	143,238
Net loss, 2005	-	-	-	-	-	(1,696,989)	-	-	(1,696,989)
Balance, December 31, 2005	-	-	99,525,027	9,953	3,490,538	(3,985,997)	-	-	(485,506)

See accompanying notes to unaudited condensed consolidated financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)  
FOR THE PERIOD FROM MAY 28, 2003 (INCEPTION) TO MARCH 31, 2010 (CONTINUED)  
(UNAUDITED)

	Preferred Stock Shares	Amount	Common Stock Shares	Amount	Additional Paid-In Capital	Accumulated Deficit During Development Stage	Accumulated Other Comprehensive Income	Deferred Stock Compensation	Total
In-kind contribution	-	-	-	-	12,000	-	-	-	12,000
Common stock cancelled in connection with exchange of ownership in CardioBioMedical Corporation to its original stockholders	-	-	(66,232,527)	(6,623)	(3,211,742)	3,745,592	-	-	527,227
Common stock issued to purchase investment in oil and gas leases (\$.003 per share)	-	-	60,000,000	6,000	159,000	-	-	-	165,000
Net loss, 2006	-	-	-	-	-	(140,836)	-	-	(140,836)
Balance, December 31, 2006	-	-	93,292,500	9,330	449,796	(381,241)	-	-	77,885
In-kind contribution	-	-	-	-	12,000	-	-	-	12,000
Common shares issued to acquire 100% of outstanding common shares of Uranium Acquisition Corp., Inc.	-	-	15,000,000	1,500	4,248,500	-	-	-	4,250,000
Net loss, 2007	-	-	-	-	-	(4,635,418)	-	-	(4,635,418)
Balance, December 31, 2007	-	-	108,292,500	10,830	4,710,296	(5,016,659)	-	-	(295,533)

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In-kind contribution	-	-	-	-	12,000	-	-	-	12,000
Common stock issued to consultant for services (\$.82 per share)	-	-	450,000	45	367,455	-	-	-	367,500