

ASX ANNOUNCEMENT
29 December 2020

YEAR END FIELD PERFORMANCE UPDATE

- The SM 71 oil field continues to produce strongly with current gross field production rates of 2,651 bbl/d of oil and 2.2 MMscf/d of gas. There is still no sign of water production.
- The Lightning gas and condensate field continues to produce as expected with high FTHP (flowing tubing head pressure) and low pressure decline. Current gross field production rates are 660 bbl/d of condensate and 21.4 MMscf/d of gas
- GC 21 producing at a current gross rate of approximately 1,100 boe/d while the well is monitored; partners continue to assess future well interventions or recompletion plans.
- Across the three fields, Otto's total share of production is 3,282 boe/d on a working interest (WI) basis and 2,569 boe/d on a net revenue interest (NRI) basis.

Otto Energy Limited (ASX: OEL) (Otto) provides a year end operational update for its three producing fields: South Marsh Island 71 (SM71) in the Gulf of Mexico Shelf; Lightning onshore in Matagorda County, Texas; and Green Canyon 21 (GC 21) in the Gulf of Mexico Deepwater.

SM 71 (Otto 50% WI) continues to produce strongly and consistently from the F1 through F3 wells and is currently producing 2,651 bbl/d of oil and 2.2 MMscf/d of gas on a gross basis. Otto also holds a 50% WI in the F5 well bore, which is a future sidetrack candidate.

The Lightning field (Otto 37.5% WI) in Matagorda County, Texas, continues to consistently produce from the Green #1 and Green #2 wells with a high FTHP and low pressure decline. Current gross production rates from the Lightning field are 660 bbl/d of oil and 21.4 MMscf/d of gas.

The "Bulleit" field located within GC 21 (Otto 16.67% WI) is currently producing 516 bbl/d of oil and 3.7 MMscf/d of gas on a gross basis (approximately 1,100 boe/d). The well is being monitored as partners continue to assess future well interventions or recompletion plans.

Otto will continue to work with the respective Operators to optimise the performance of these assets.

A summary of oil, gas and boe production rates for each field on a gross, WI and NRI basis is outlined in Table 1 below (as at 21 December 2020).

Table 1: Production Rates Per Field

	Gross			WI			NRI		
	Oil (bbl/d)	Gas (MMscf/d)	boe/d	Oil (bbl/d)	Gas (MMscf/d)	BOE/d	Oil (bbl/d)	Gas (MMscf/d)	BOE/d
SM 71 (F1, F2, F3)	2,651	2.2	3,016	1,326	1.1	1,508	1,077	0.9	1,225
Lightning	660	21.4	4,227	248	8.0	1,585	186	6.0	1,192
GC 21	516	3.7	1,133	86	0.6	189	69	0.5	151
Total			<u>8,375</u>			<u>3,282</u>			<u>2,569</u>

Otto Executive Chairman, Mike Utsler, commented: *“Otto’s share of production from SM 71, Lightning and GC 21 continues to generate strong cash flow for the company during a period of improving oil price. We look forward to providing further updates in Q1 2021 with respect to the evaluation work currently being undertaken on GC 21, and potential intervention or recompletion plans to drive the performance of this asset.”*

This announcement was approved for release by Otto’s Board of Directors.

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