

## MONETISATION OF FINANCIAL ASSETS

- Partial sale of 11 million shares of Pantheon Resources plc (PANR) holding to institutional investor for approximately US\$10.5 million (A\$14.0 million).
- Otto continues to own approximately 3.27 million PANR shares, plus an existing 0.5% of 8/8ths ORRI in any future production from the Talitha Unit.

Otto Energy Limited (ASX: OEL) (**Otto** or the **Company**) is pleased to announce that it has sold 11 million shares of its Pantheon Resources plc (**PANR**) shareholding to an institutional investor for gross proceeds of approximately US\$10.5 million (A\$14.0 million).

Otto plans to use the cash proceeds from the sale to advance Pillars 2 and 3 of its stated growth strategy and for general working capital.

The Company maintains leverage to further exploration of the Talitha Unit in Alaska via its approximate 3.27 million residual PANR shareholding (valued at US\$3.4 million, or A\$4.6 million, as at 20 October 2021<sup>1</sup>) and its 0.5% of 8/8ths overriding royalty interest (ORRI) in any future production from the Talitha Unit.

Otto originally acquired its PANR shareholding in March 2021 when it sold its wholly-owned subsidiary, Borealis Alaska LLC, which held a 10.8% interest in the 44,463 acre Talitha Unit in Alaska, to the acreage operator, PANR.

Otto Executive Chairman, Mike Utsler, commented: *“The successful monetization of a large portion of our Pantheon holding is evidence of Otto’s portfolio management strategy in action. With our residual Pantheon shareholding, and the ORRI, we continue to maintain significant leverage to any success in Pantheon’s activities across the Talitha Unit in Alaska.*

This release is approved by the Board of Otto.

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<sup>1</sup> Based on PANR closing share price of 75.70 pence on 20 October 2021, a 1.38 USD to GBP exchange rate and 0.75 AUD to USD exchange rate.