

ANNUAL RESERVES AND RESOURCES STATEMENT

HIGHLIGHTS

- **Net Proved Reserves (1P) of 2.0 MMboe (a decline of 18% from prior year in line with production during the period)**
- **Proved Plus Probable Reserves (2P) of 3.3 MMboe (-32% from prior year)**
- **Proved Plus Probable Plus Possible Reserves (3P) of 6.0 MMboe (-15% from prior year)**
- **Contingent and Prospective Resources of 4.7 MMbbl of oil and 24.2 Bcf of gas, 8.7 MMboe (no change from prior year)**
- **An increase in Proved Reserves of 51 Mboe at Lightning and 84 Mboe at Mosquito Bay West due to strong field performance**
- **Significant Cash position (and cash equivalents) position as of 30 June 2024 of US\$40.5 MM which equates to A\$0.0127 per share based on a 0.6666 US\$:A\$ exchange rate**
- **Current ongoing steady monthly production of 1,690 boe/d (WI) with 52% liquids.**

RESERVES SUMMARY 30 JUNE 2024

Otto Energy Limited (ASX:OEL) (Otto or the Company) provides a summary of estimated reserves and resources as of 30 June 2024. The reserves cover Otto's producing fields at South Marsh Island 71 (SM 71), Lightning in Matagorda County, Texas (Lightning), Green Canyon 21 (GC 21), Mosquito Bay West and Oyster Bayou South, and were independently prepared by Ryder Scott Company. The contingent and prospective resources cover SM 71, Lightning, and South Timbalier 48 (ST 48).

Total	Gross (100%)				Net			
	Oil (Mbbl)	NGL (Mbbl)	Gas (MMcf)	Mboe	Oil (Mbbl)	NGL (Mbbl)	Gas (MMcf)	Mboe
Proved Producing	2,049	529	14,724	5,031	626	139	3,659	1,375
Proved Behind Pipe	519	300	8,970	2,314	176	80	2,215	625
Proved Undeveloped	-	-	-	-	-	-	-	-
Proved (1P)	2,568	828	23,694	7,345	802	219	5,874	2,000
Probable	1,304	576	16,855	4,690	392	154	4,230	1,251
Proved Plus Probable (2P)	3,872	1,404	40,549	12,035	1,194	373	10,104	3,251
Possible	2,035	1,358	40,865	10,204	595	373	10,440	2,708
Proved Plus Probable Plus Possible (3P)	5,908	2,762	81,415	22,239	1,789	746	20,544	5,959
Total Contingent and Prospective Resources (best estimate, unrisks)	7,040	-	44,590	14,472	4,700	-	24,160	8,727

Contingent and Prospective Resources Cautionary Statement - The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

1P RESERVES

Estimated Proved reserves total approximately 2.0 MMboe and consist of six PDP wells, compared to 2.4 MMboe as of 30 June 2023. This decrease is predominantly due to production of 500 Mboe (NRI) through FY 24. Proved reserve additions of 51 Mboe at Lightning and 84 Mboe at Mosquito Bay West due to strong field performance exceed downward revisions at GC 21 of 49 Mboe and SM 71 of 24 Mboe. GC 21 reserve revisions reflect weaker than anticipated field performance as previously reflected in Otto's half yearly results ended 31 December 2023. SM 71 reserve revisions reflect the F3 well being shut-in during May 2024 as well as performance of the remaining producing well F1.

These reserves have a 9 year estimated production life (through 2033) and anticipate a total of 8 recompletions.

2P RESERVES

Estimated Proved plus Probable reserves total approximately 3.3 MMboe, compared to 4.8 MMboe as of 30 June 2023. This decrease is predominantly attributable to production of 500 Mboe (NRI) through FY 24 and the reclassification of a Probable undeveloped well at Lightning (Green #4) to Possible, as well as a reclassification of some Lightning Probable reserves to Proved resulting in an overall reduction in Lightning of 564 Mboe. Further reductions at SM 71 of 276 Mboe and GC 21 of 233 Mboe relate to field performance. A 71 Mboe reduction at Mosquito Bay West relates to a reclassification from Probable to Proved reserves.

These reserves have a 13-year estimated life (through 2037) and also anticipate the same 8 recompletions.

3P RESERVES

Estimated Proved plus Probable plus Possible reserves totaled approximately 6.0 MMboe, compared to 7.0 MMboe as of 30 June 2023. Possible reserves benefit by the reclassification of the Green #4 well from Probable to Possible, as well as an increase at SM 71. GC 21, Mosquito Bay West and Oyster Bayou South all have reductions in Possible reserves.

These reserves have greater than a 14-year estimated life (beyond 2037) and also anticipate the same 8 recompletions.

CONTINGENT AND POTENTIAL RESOURCES

Contingent and prospective resources totaled approximately 8.7 MMboe from SM 71, Lightning, and ST 48 with no change to those presented as of 30 June 2023.

RESERVES COMPARISONS

The 30 June 2024 estimated reserves and contingent & prospective resources, net to Otto, and changes from those as of 30 June 2023, are as follows:

Reserves as at 30 June 2024 (net to Otto)	Oil (MbbL)	NGL (MbbL)	Gas (MMcf)	Mboe (6:1)	Change % 2024 v 2023
Proved (1P)	802	219	5,874	2,000	-18%
Probable Reserves	392	154	4,230	1,251	-47%
Proved Plus Probable (2P)	1,194	373	10,104	3,251	-32%
Possible Reserves	595	373	10,440	2,708	22%
Proved Plus Probable Plus Possible (3P)	1,789	746	20,544	5,959	-15%
Total Contingent and Prospective Resources (best estimate, unrisks)	4,700	-	24,160	8,727	0%

ABOUT OTTO

Otto Energy is an oil and gas exploration and production company focused on the US Gulf Coast. The Company has a high-quality production base comprising of five producing assets. These include the South Marsh Island 71 (SM 71) oil field in the shallow water Gulf of Mexico, the Lightning gas/condensate field in onshore Matagorda County, Texas, the Green Canyon 21 (GC 21) oil well in the deepwater Gulf of Mexico, and the Mosquito Bay West and Oyster Bayou South wells in Terrebonne Parish in the state waters of Louisiana. Our other assets include South Timbalier 48 and a 0.5% ORRI in the Talitha Unit in Alaskan Operated by Pantheon Resources (LSE: PANR).

CASH BACKING

In addition to the forward looking estimated reserves as outlined in this release, Otto Energy Limited had US\$40.5 MM cash and cash equivalents as at 30 June 2024, equivalent to A\$0.0127 per share based on a 0.6666 US\$:A\$ exchange rate and 4,795,009,773 shares outstanding.

This announcement has been approved for release by the Board of Otto Energy Limited.

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Otto Reserves and Resources Statement

Otto Energy Limited net estimated reserves and resources for all fields as at 30 June 2024 are summarised below (see additional disclosures provided in the following pages and appendices):

Total	Gross (100%)				Net			
	Oil (MbbL)	NGL (MbbL)	Gas (MMcf)	Mboe	Oil (MbbL)	NGL (MbbL)	Gas (MMcf)	Mboe
Proved Producing	2,049	529	14,724	5,031	626	139	3,659	1,375
Proved Behind Pipe	519	300	8,970	2,314	176	80	2,215	625
Proved Undeveloped	-	-	-	-	-	-	-	-
Proved (1P)	2,568	828	23,694	7,345	802	219	5,874	2,000
Probable	1,304	576	16,855	4,690	392	154	4,230	1,251
Proved Plus Probable (2P)	3,872	1,404	40,549	12,035	1,194	373	10,104	3,251
Possible	2,035	1,358	40,865	10,204	595	373	10,440	2,708
Proved Plus Probable Plus Possible (3P)	5,908	2,762	81,415	22,239	1,789	746	20,544	5,959
Total Contingent and Prospective Resources (best estimate, unrisks)	7,040	-	44,590	14,472	4,700	-	24,160	8,727

South Marsh Island 71 Reserves and Resources Statement:

Commentary:

SM 71 has now recovered approximately 5 MMbbl of oil (8/8ths) and 5 Bcf of gas (8/8ths) since production commenced in March 2018.

Production performance to date at SM 71 has exceeded Otto's expectations. The decrease in reserves is attributable to the shut-in of the F3 well during May 2024 due to high water cut, and the performance of the F1 well during the year. Future up hole recompletions are factored into the SM 71 reserves. The potential F5 and F3 sidetracks are factored into Contingent Resources as well as Prospective Resources in relation to the B65 sand in the field.

SM71	Gross (100%)				Net (40.6%)			
	Oil (MbbL)	NGL (MbbL)	Gas (MMcf)	Mboe	Oil (MbbL)	NGL (MbbL)	Gas (MMcf)	Mboe
Proved Producing	1,081	34	811	1,250	439	14	300	503
Proved Behind Pipe	266	7	166	301	108	3	62	121
Proved Undeveloped	-	-	-	-	-	-	-	-
Proved (1P)	1,348	41	977	1,551	548	17	362	624
Probable	550	17	413	636	224	7	153	256
Proved Plus Probable (2P)	1,898	58	1,390	2,188	771	24	515	881
Possible	550	17	413	636	224	7	153	256
Proved Plus Probable Plus Possible (3P)	2,448	75	1,803	2,824	995	31	668	1,137
Total Contingent and Prospective Resources (best estimate, unrisks)	2,300	-	4,680	3,080	930	-	1,910	1,248

Otto holds a 50% working interest (40.6% net revenue interest) in SM 71. The operator, Byron Energy Limited (ASX:BYE) holds the remaining 50% working interest.

Lightning Reserves and Resources Statement:

Commentary:

- First production from Green #1 commenced from Lightning in May 2019 following the successful discovery of the field. The second well, Green #2, began production in February 2020. Production performance since start-up of the field has continued to deliver strong results.
- The field received an increase in Proved reserves during the year due to continued strong production performance. The Green #4 well was moved from Probable to Possible resulting in a decrease in Probable reserves but an increase in Possible reserves.
- Future up hole recompletions in the Green #1 and #2 wells are factored into the Lightning reserves and the possibility exists for further wells in the field to fully develop the extensive area of the Lightning discovery.

Lightning	Gross (100%)				Net (27.8%)			
	Oil (MbbL)	NGL (Mbbbl)	Gas (MMcf)	Mboe	Oil (MbbL)	NGL (Mbbbl)	Gas (MMcf)	Mboe
Proved Producing	349	379	11,618	2,664	97	105	2,995	702
Proved Behind Pipe	197	214	6,560	1,504	55	60	1,691	396
Proved Undeveloped	-	-	-	-	-	-	-	-
Proved (1P)	545	593	18,178	4,168	152	165	4,686	1,098
Probable	431	468	14,360	3,292	120	130	3,702	867
Proved Plus Probable (2P)	976	1,061	32,538	7,460	272	295	8,388	1,965
Possible	1,163	1,263	38,752	8,885	324	352	9,991	2,341
Proved Plus Probable Plus Possible (3P)	2,139	2,324	71,290	16,344	595	647	18,379	4,306
Total Prospective Resources (best estimate, unrisked)	630	-	21,250	4,172	170	-	5,920	1,157

Otto holds a 37.5% working interest (27.8% net revenue interest) in Lightning. The operator, Hilcorp, holds the remaining working interest.

Green Canyon 21 Reserves and Resources Statement:

Commentary:

- GC 21 commenced production from the deeper MP sands in October 2020. In August 2022, recompletion operations began in the shallow DTR-10 sands, with production beginning from the DTR-10 sand in March 2023.
- The downward reserve revisions are due to the “Bulleit” well producing at rates that were below expectations. This downwards revision was presented in Otto’s half yearly results as of 31 December 2023.

Green Canyon 21	Gross (100%)				Net (13.3%)			
	Oil (MbbL)	NGL (MbbL)	Gas (MMcf)	Mboe	Oil (MbbL)	NGL (MbbL)	Gas (MMcf)	Mboe
Proved Producing	536	73	1,062	786	72	10	109	100
Proved Behind Pipe	-	-	-	-	-	-	-	-
Proved Undeveloped	-	-	-	-	-	-	-	-
Proved (1P)	536	73	1,062	786	72	10	109	100
Probable	267	36	528	391	36	5	54	49
Proved Plus Probable (2P)	803	109	1,590	1,177	107	15	163	149
Possible	267	36	530	392	36	5	54	50
Proved Plus Probable Plus Possible (3P)	1,070	145	2,120	1,569	143	19	217	199
Total Prospective Resources (best estimate, unrisks)	-	-	-	-	-	-	-	-

Otto holds a 16.67% working interest (13.3% net revenue interest) in the Green Canyon 21 block. The operator, Talos Energy (NYSE: TALO), holds the remaining working interest.

Mosquito Bay West Reserves and Resources Statement:

Commentary on the changes to estimated reserves and resources:

- The Mosquito Bay West prospect was spud on 22 May 2022 in state waters in Terrebonne Parish, Louisiana, and safely drilled down to a target depth of 14,867' MD (Measured Depth) / 12,967' TVD (True Vertical Depth).
- The well encountered a proved net gas pay of 111 feet TVT (True Vertical Thickness) across five separate Miocene intervals, plus another 10 feet TVT potential pay in one other sand that is considered probable or possible.
- The well began production in August 2022. The field received an increase in Proved reserves due to strong well performance over the last year. Future up hole well recompletions are factored into the Mosquito Bay West reserves.

Mosquito Bay West	Gross (100%)				Net (22.4%)			
	Oil (MbbL)	NGL (MbbL)	Gas (MMcf)	Mboe	Oil (MbbL)	NGL (MbbL)	Gas (MMcf)	Mboe
Proved Producing	40	38	1,071	256	9	8	221	54
Proved Behind Pipe	56	79	2,244	509	13	18	462	107
Proved Undeveloped	-	-	-	-	-	-	-	-
Proved (1P)	96	116	3,315	765	21	26	683	161
Probable	39	52	1,488	340	9	12	307	72
Proved Plus Probable (2P)	135	169	4,803	1,104	30	38	990	233
Possible	29	38	1,071	245	6	8	221	52
Proved Plus Probable Plus Possible (3P)	164	206	5,874	1,349	37	46	1,211	285
Total Prospective Resources (best estimate, unrisks)	-	-	-	-	-	-	-	-

Otto holds a 30% working interest (22.4% net revenue interest) in the Mosquito Bay West well after paying 40% of exploration costs through casing. The operator, Castex, and another party own the remaining working interest.

Oyster Bayou South Reserves and Resources Statement:

Commentary:

- Oyster Bayou South was spud on 27 June 2022 in state waters in Terrebonne Parish, Louisiana, and safely drilled down to a target depth of 14,867' MD (Measured Depth) / 12,967' TVD (True Vertical Depth).
- The well encountered a proved net gas pay of 68 feet TVT (True Vertical Thickness) Miocene pay and began production in September 2022.

Oyster Bayou South	Gross (100%)				Net (22.65%)			
	Oil (MbbL)	NGL (MbbL)	Gas (MMcf)	Mboe	Oil (MbbL)	NGL (MbbL)	Gas (MMcf)	Mboe
Proved Producing	43	6	162	75	10	1	34	17
Proved Behind Pipe	-	-	-	-	-	-	-	-
Proved Undeveloped	-	-	-	-	-	-	-	-
Proved (1P)	43	6	162	75	10	1	34	17
Probable	17	2	67	31	4	1	14	7
Proved Plus Probable (2P)	60	8	229	106	14	2	48	23
Possible	26	3	99	46	6	1	21	10
Proved Plus Probable Plus Possible (3P)	86	12	328	152	19	3	69	34
Total Prospective Resources (best estimate, unrisks)	-	-	-	-	-	-	-	-

Otto holds a 30% working interest (22.65% net revenue interest) in the Oyster Bayou South well after paying 40% of exploration costs through casing. The operator, Castex, and another party own the remaining working interest.

Appendix A – Contingent and Prospective Resources as at 30 June 2024

Refer to notes below the tables for commentary on recent activity related to contingent and prospective resources.

Prospect	Working Interest	Net Revenue Interest	Contingent Resources					
			8/8ths			Otto Net Revenue Interest		
			Oil			Oil		
			Gas (BCF)	(MMbbls)	Mmboe	Gas (BCF)	(MMbbls)	Mmboe
P50	P50	P50	P50	P50	P50			
SM 71 F3 ST (D5)	50.0%	40.6%	1.64	0.86	1.13	0.67	0.35	0.46
SM 71 F5 ST (D5)	50.0%	40.6%	2.11	0.67	1.02	0.86	0.27	0.41

Prospect	Working Interest	Net Revenue Interest	Prospective Resources					
			8/8ths			Otto Net Revenue Interest		
			Oil			Oil		
			Gas (BCF)	(MMbbls)	Mmboe	Gas (BCF)	(MMbbls)	Mmboe
P50	P50	P50	P50	P50	P50			
SM 71 B65 Sand	50.0%	40.6%	0.93	0.77	0.93	0.38	0.31	0.38
Lightning	37.5%	27.8%	21.25	0.63	4.17	5.92	0.17	1.16
ST 48	100.0%	87.5%	18.66	4.11	7.22	16.33	3.60	6.32

Contingent and Prospective Resources for SM 71, Lightning and ST 48 have remained consistent with values on 30 June 2023.

Appendix B – Notes to Reserves and Resources Statement

Reserves and Resources Governance

Otto's reserves estimates are compiled annually. Otto engages Ryder Scott Company, a qualified external petroleum engineering consultant, to conduct an independent assessment of reserves on behalf of Otto. Ryder Scott Company is an independent petroleum engineering consulting firm that has been providing petroleum consulting services in the USA for more than fifty years. Ryder Scott Company does not have any financial interest or own any shares in the Company. The fees paid to Ryder Scott Company are not contingent on the reserve's outcome of the reserves report.

Competent Persons Statement

The information in this report that relates to oil and gas reserves was compiled by technical employees of independent consultants Ryder Scott Company, under the supervision of Mr. Ali Porbandarwala PE. Mr. Porbandarwala is the Managing Senior Vice President at Ryder Scott Company and is a registered professional engineer in the State of Texas and a member of the Society of Petroleum Engineers (SPE). He has a B.S. Chemical Engineering from the University of Kansas and an MBA from the University of Texas. The reserves included in this report have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE)/World Petroleum Council (WPC)/American Association of Petroleum Geologists (AAPG)/Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS). The reserves information reported in this Statement are based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of Mr. Porbandarwala. Mr. Porbandarwala is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to oil and gas contingent and potential resources was compiled by Mr Ed Buckle, B.S. Chemical Engineer (Magna Cum Laude), a full-time contractor of the Company. Mr Buckle has more than 30 years relevant experience in the petroleum industry and is a member of The Society of Petroleum Engineers (SPE) and is a registered professional engineer in the state of Texas. The resources included in this report have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE)/World Petroleum Council (WPC)/ American Association of Petroleum Geologists (AAPG)/ Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS). The resources information included in this report are based on, and fairly represents, information and supporting documentation reviewed by Mr Buckle. Mr Buckle is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears

Reserves Cautionary Statement

Oil and gas reserves and resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become available. Additionally, by their very nature, reserve and resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional drilling and analysis, the estimates are likely to change. This may result in alterations to development and production plans which may, in turn, adversely impact the Company's operations. Reserves estimates and estimates of future net revenues are, by nature, forward looking statements and subject to the same risks as other forward-looking statements.

Contingent and Prospective Resources Cautionary Statement

The estimated quantities of petroleum that may potentially be recovered by the application of future development projects relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Pricing Assumptions

Oil price assumptions used in the independent report represent forward prices (CME Nymex) as of 30 June 2024.

ASX Reserves and Resources Reporting Notes

- (i) The reserves and contingent & prospective resources information in this document is effective as of 30 June, 2024 (Listing Rule (LR) 5.25.1)
- (ii) The reserves and contingent & prospective resources information in this document has been estimated and is classified in accordance with SPE-PRMS (Society of Petroleum Engineers - Petroleum Resources Management System) (LR 5.25.2)
- (iii) The reserves and contingent & prospective resources information in this document is reported according to the Company's economic interest in each of the reserves and prospective resource net of royalties (LR 5.25.5)

- (iv) *The reserves and contingent & prospective resources information in this document has been estimated and prepared using the probabilistic method (LR 5.25.6)*
- (v) *The reserves and contingent & prospective resources information in this document has been estimated using a ratio of 6,000 cubic feet of natural gas to one barrel of oil. This conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency (LR 5.25.7)*
- (vi) *The reserves and contingent & prospective resources information in this document has been estimated on the basis that products are sold on the spot market with delivery at the sales point on the production facilities (LR 5.26.5)*
- (vii) *The method of aggregation used in calculating estimated reserves was the arithmetic summation by category of reserves. As a result of the arithmetic aggregation of the field totals, the aggregate 1P may be a very conservative estimate and the aggregate 3P may be a very optimistic estimate due to the portfolio effects of arithmetic summation (LR 5.26.7 & 5.26.8)*
- (viii) *Contingent and prospective resources are reported on a best estimate basis (LR 5.28.1)*
- (ix) *For contingent & prospective resources, the estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons (LR 5.28.2)*
- (x) *The reserve numbers assume some investment over the life of the field outlined above.*

Glossary

Bbl = barrels
bcf = billion cubic feet
Bcfe = billion cubic feet equivalent
boe = barrels of oil equivalent
Bopd = barrels of oil per day
Btu = British Thermal Units
EUR = Economic Ultimate Recovery
Mcfg = thousand cubic of gas
Mcfgpd = thousand cubic feet of gas per day
MMcf = million cubic feet
MBL = thousand barrels of oil
MMBL = million barrels of oil
Mboe = thousand barrels of oil equivalent
MMboe = million barrels of oil equivalent
MCF = thousand cubic feet
mmbtu = million British Thermal Units
NRI = net revenue interest