

## ASX ANNOUNCEMENT

2 April 2019

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### SUCCESSFUL COMPLETION OF PLACEMENT AND UNDERWRITTEN INSTITUTIONAL ENTITLEMENT OFFER

- **A\$11m Placement and ~A\$7.6 million Institutional Entitlement Offer closes oversubscribed**
- **Strong support from existing and new institutions**
- **Fully underwritten Retail Entitlement Offer to raise approximately A\$12.3 million**
- **Retail Entitlement Offer to open Friday 5 April 2019 and closing Tuesday 23 April 2019**
- **Funds raised will be used primarily to fund the drilling of Otto's exciting new Green Canyon 21 "Bulleit" well**
- **Otto is now fully funded to execute its 2019 exploration program which includes five high-impact exploration wells with Hilcorp as well as the Green Canyon 21 opportunity with Talos Energy**

Otto Energy ("Otto") (ASX: OEL) is pleased to announce the successful completion of the Placement and institutional component of its Entitlement Offer, which was announced to the ASX on Friday 29 March 2019.

The funds raised will be used in conjunction with cash flows from Otto's 50% owned SM 71 oil field and future cash flows from the Lightning development to fund Otto's US\$9.0 million share of the GC-21 drilling program, redeem US\$8.1 million of the convertibles notes currently on issue and for working capital including contingent development wells.

#### Placement

The Placement raised a total of A\$11.0m through the issue of approximately 207.5 million shares at A\$0.053 per share.

#### Institutional Offer

The Institutional Entitlement Offer raised a total of A\$7.6m through the issue of approximately 143.2 million shares at A\$0.053 per share with a take up of 57% (100% takeup excluding Otto's largest shareholder).

The Institutional Entitlement Offer shortfall was strongly oversubscribed by institutional shareholders. Shares issued under the placement and Institutional Entitlement Offer will rank equally with existing shares on issue and are expected to be allotted on Tuesday 9 April 2019. Trading will commence on the same day.

#### Retail Entitlement Offer

The retail component of the Entitlement Offer is fully underwritten and seeks to raise a further \$12.3 million through the issue of approximately 231.8 million shares at A\$0.053 per share on the basis of one new share for every five shares held at the record date of Tuesday 2 April 2019.

The Entitlement Offer is non-renounceable and entitlements will not be tradeable or otherwise transferrable.

Otto has determined, in accordance with ASX Listing Rule 7.7.1, that the retail component of the Entitlement Offer will be offered to retail shareholders with registered addresses within Australia, New Zealand, the United Kingdom, Hong Kong, Singapore and Cambodia ("Eligible Retail Shareholders").

The Retail Offer Booklet, containing full details of the Entitlement Offer, will be sent to Eligible Retail Shareholders on Friday 5 April 2019.

The retail Entitlement Offer will open on Friday 5 April 2019 and close at 5.00pm Sydney time on Tuesday 23 April 2019 (unless extended).

### Offer Timetable

Key dates for the Entitlement Offer are set out below.

Timetable for Non-Renounceable Entitlement Offer	
Shares trade ex-entitlement	2 April 2019
Record date for determining Eligible Shareholders	2 April 2019
Retail Entitlement Offer opens and Booklets despatched	5 April 2019
Settlement of New Shares issued under the Placement and Institutional Offer	8 April 2019
Allotment and normal trading of New Shares issued under the Placement and Institutional Entitlement Offer	9 April 2019
Retail Entitlement Offer closes	23 April 2019
Allotment of New Shares issued under the Retail Entitlement Offer	1 May 2019
Despatch of holding statements and normal trading of New Shares	2 May 2019

Dates and times in this release are indicative only and subject to change. The Company reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws, to vary the dates of the Entitlement Offer without prior notice, including extending the Entitlement Offer or accepting late applications, either generally or in particular cases, or to withdraw the Entitlement Offer without prior notice. The commencement of quotation of New Shares is subject to confirmation from ASX.

## Retail Investor Enquiries

For further information in regard to the Retail Entitlement Offer once the offer is open, please contact the Otto Energy Shareholder Information Line on 1300 553 490 (local call cost within Australia) or +61 1300 553 490 (from outside Australia) at any time between 8.30am and 5.00pm (Sydney time), Monday to Friday. Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action on the basis of the information.

## Further information

Morgans Corporate Limited is acting as Lead Manager and Underwriter to the Entitlement Offer, Adelaide Equity Partners Limited as Financial Advisor and Allens acting as legal advisor. Euroz Securities Limited have been appointed Managers to the offer.

Further information about the Entitlement Offer, including its strategic and financial benefits, is in Otto's market release and Investor Presentation, lodged with the ASX on 29 March 2019.

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