



OTTO 
ENERGY

**121 Oil and Gas
Investment
Hong Kong**

15 May 2019

ASX: OEL

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High Impact Catalysts for Q2 2019

Otto has an active drilling program underway – two wells expected to reach target in coming quarter

- ✓ • SM71 continued strong production and cashflow
- Lightning field production to commence this quarter
- Green Canyon 21 “Bulleit” oil appraisal well to reach target before end of June 2019
- Mustang exploration well onshore Chambers County, TX to reach target in July 2019
- Lightning maiden reserves to be booked once steady state production reached
- ✓ • A\$31m placement/rights issue
- ✓ • Redemption of US\$8.2m convertible note

Corporate Snapshot (ASX:OEL)

CAPITAL STRUCTURE

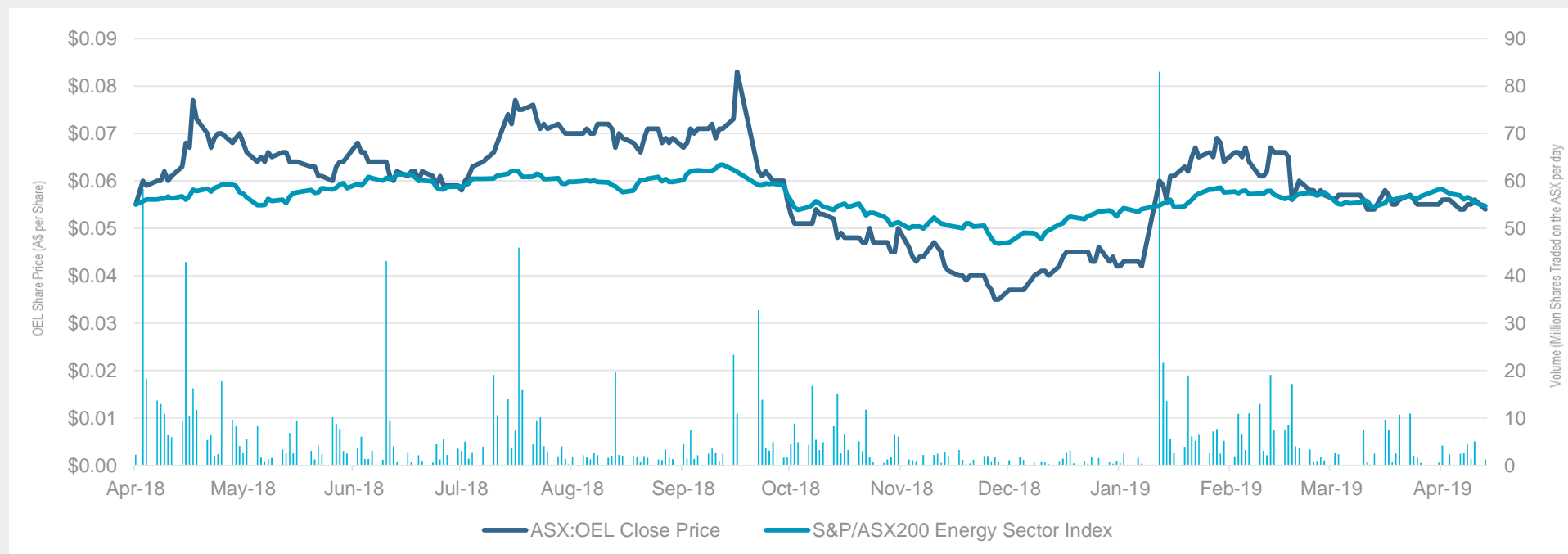
Fully paid ordinary shares	2.460b
Performance Rights	46.8m
Market capitalisation ¹	A\$133m

FUNDING POSITION

Cash (6 May 2019)	US\$16.8m
Debt	Nil

SHAREHOLDERS

Molton Holdings	12.4%
Perennial Value Management	10.5%
Colonial First State	5.5%
Directors & Management	2.9%



1. As at 6 May 2019 (undiluted at 5.4 cents per share).

Otto Energy's Strategy

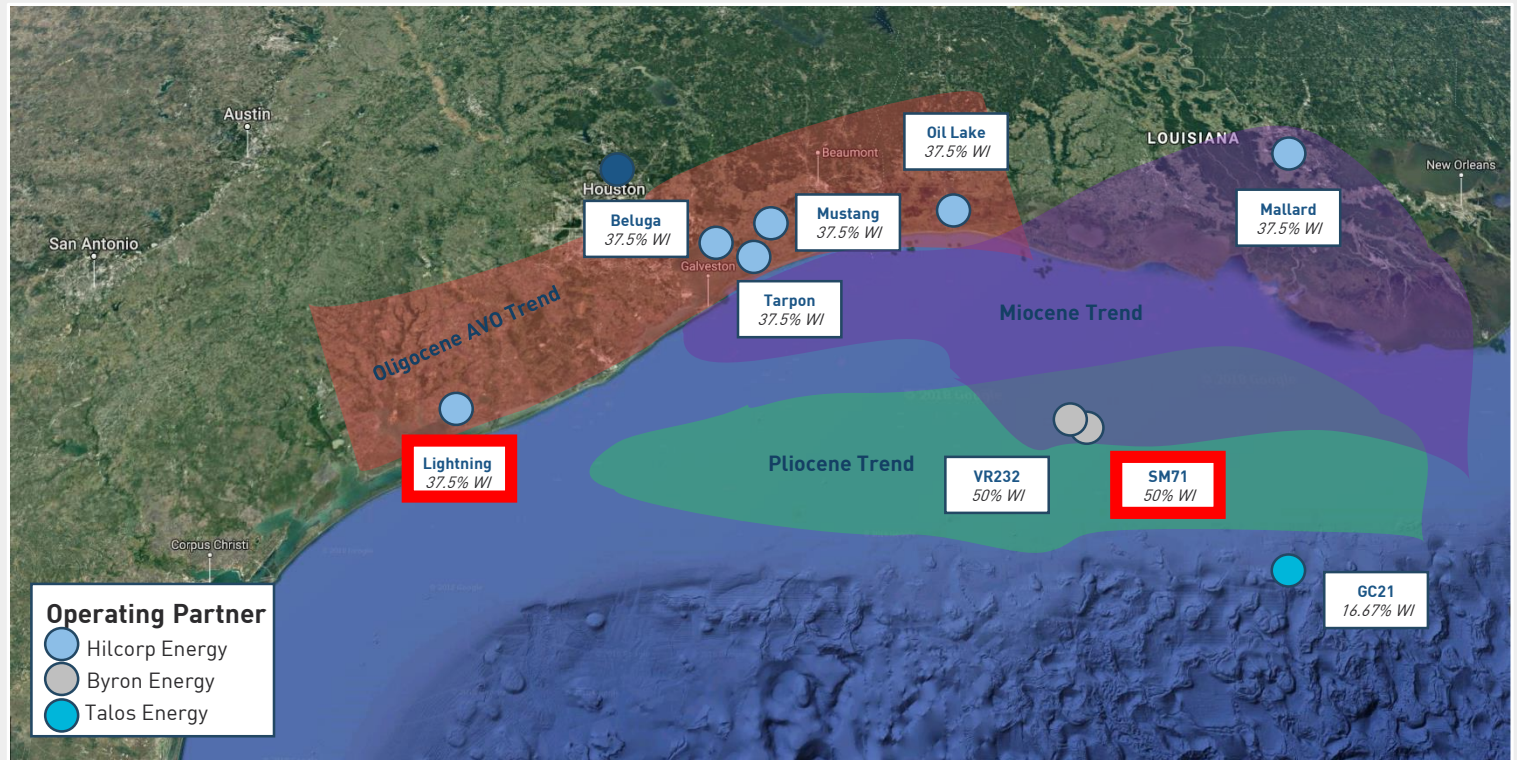
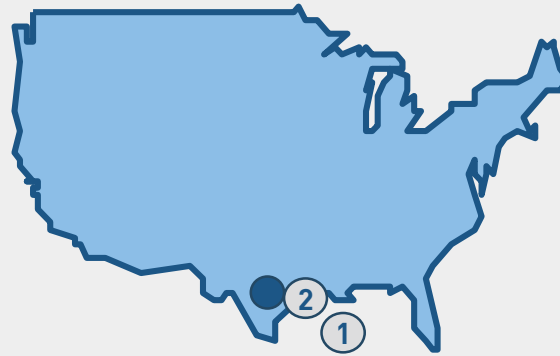
Strategic Goal - Build a 5,000 boepd production base by end of 2020 – currently at ~1,750 boepd

- **Exploration** focused, **conventional** oil and gas projects with **non-operator** business model
- Pure play focus on proven **Gulf of Mexico**, with **limited competition** and **technological improvements** unlocking new prospects and discoveries
- **Diversified production base** from two production assets. Both are the result of discoveries from participation in **successful exploration drilling**
- **One discovery already** from the 2019 eight well exploration program with six wells to go. Each prospect **capable of delivering material upside** to Otto
- Material **cashflow generation** supports funding growth initiatives
- **Current drilling portfolio** is capable of delivering the **5,000 boepd** strategic goal with success
- Highly **experienced Houston based management team** with proven track record of exploration successes in the Gulf Coast and Gulf of Mexico

Strong base of free cash flow to fund continued growth through the drill bit

Location and Formation

- Houston Headquarters
- ① SM 71 Operations & GC21 Appraisal/Development
- ② Gulf Coast Package



Production - South Marsh Island 71, offshore Gulf of Mexico

Strong free cashflow base to fund growth ~US\$2m in net operating cashflow each month

South Marsh Island 71

Joint Venture	Otto Energy	50.0%	Byron Energy (operator)	50.0%
Fiscal Terms	Federal Royalty	18.75%	Held by production licence	
Location	Offshore Federal OCS, 40 meters water depth (131 feet)			
Geology	Pleistocene to Pliocene age sands ranging in depth from 5,000 feet to 8,800 feet Total Vertical Depth ("TVD"). Productive from discrete hydrocarbon-bearing sandstone reservoirs which are primarily trapped in three-way structural closures bound either by salt or stratigraphic thinning, on their updip edge.			
Drilling	Well	Drilled	Reservoir	Depth (MD)
	F1	April 2016	D5	7,477 feet
	F2	Nov 2017	B55	7,700 feet
	F3	Jan 2018	D5	7,717 feet
Production	Current	3,100 bopd plus 7 MMscf/d		
	Cumulative	1.3 MMbbl and 2.0 Bcf (since March 2018)		
Net Reserves ⁽¹⁾	1P 2.45 MMBoe	2P 6.59 MMboe	3P 8.75 MMboe	
Facilities	F Platform, owned by joint venture Capacity for up to 6 production wells and 5,000 bopd			



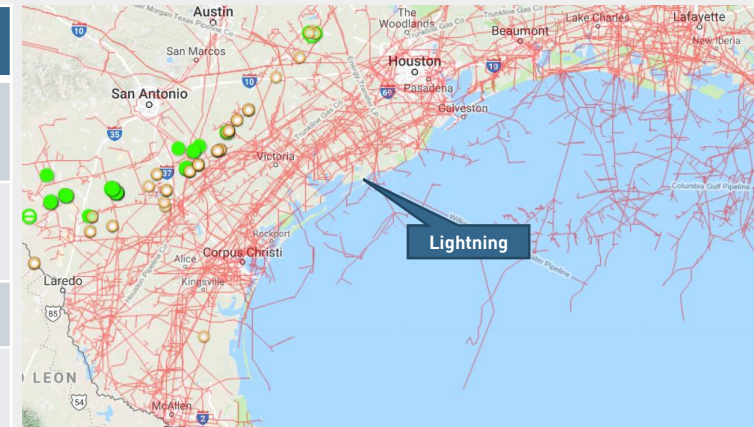
SM 71 F Production Platform (Gulf of Mexico)

Development – Lightning, onshore Texas Gulf Coast

First production scheduled for Q2 2019 – first discovery under Gulf Coast Drilling program

Lightning Discovery

Joint Venture	Otto Energy	37.5%
	Hilcorp Energy (operator)	62.5%
Fiscal Terms	Landowner Royalty	24.9%
	Held by production licence	
Location	Onshore Matagorda County, Texas	
Geology	Slope channel/fan setting within Oligocene (Tex Miss). Overlaying production from the shallower Miocene levels dates back to the early 1930's. Recent modern 3D seismic has yielded discoveries that prove working analogues in the slope channel/fan setting at Baer Franklin in the deeper Oligocene setting.	
Drilling	Well Green #1	Drilled Feb 2019
	Reservoir Tex Miss (Oligocene)	Depth (MD) 15,218 feet
Production	Current	First production scheduled Q2 2019
	Cumulative	Nil to date
Net Reserves	Maiden reserves to be reported upon establishment of steady state production	
Facilities	Surface facilities to handle gas/condensate production, tie in to nearby gas export pipeline to be completed in Q2 2019	



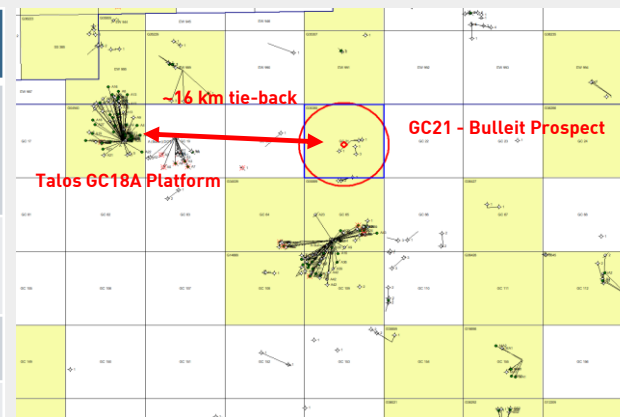
Lightning location map, showing gas pipeline infrastructure

Appraisal – Green Canyon 21 “Bulleit”, offshore Gulf of Mexico

Appraisal well currently drilling – results expected before end of Q2 2019

Green Canyon 21 “Bulleit” Prospect

Joint Venture	Otto Energy	16.67%	(paying interest of 22.22%)	
	Talos Energy (operator)	50.00%		
	Enven Energy Ventures LLC	33.33%		
Fiscal Terms	Federal Royalty	18.75%	Primary term exploration lease	
Location	Offshore Federal OCS, 370 meters water depth (1,200 feet)			
Geology	Bulleit is an amplitude-supported Pliocene prospect with similar seismic attributes to the analogous sand section in Talos’s Green Canyon 18 field, which has produced approximately 39 MMboe to date.			
Drilling	Well	Drilled	Reservoir	Depth
	Bulleit	May-Jun 2019	Pliocene	15,500’ (MD)/13,823’ (TVD)
Production	First production is estimated by Talos to be 12-18 months from spud.			
Prospective Resources ⁽¹⁾	Prospective resources (P50) are 14.5 MMboe (gross) and 1.9 Mmboe (NRI). Talos has advised that gross prospective resources are expected to be between 10 to 30 MMboe on an unrisksed basis.			
Facilities	Talos will complete well as a subsea tieback with a smart completion; tying back to the Talos operated GC 18A Platform. Adequate capacity for a second well if warranted for acceleration. Talos expects initial production rates from the MP sands between 8,000 and 15,000 boepd.			



Green Canyon 21 proximity to Green Canyon 18A platform



Green Canyon 18A Production Facility

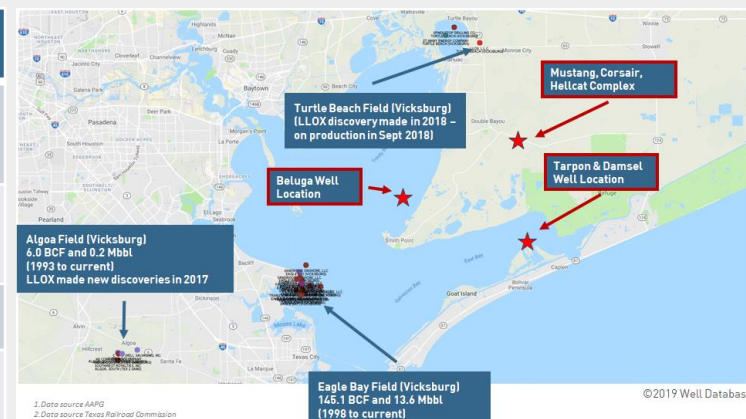
1. Refer to pages 38 and 39 for further information on reserves and prospective resources.

Exploration – Mustang, onshore Texas Gulf Coast

Exploration well spud in May 2019 – results expected in early Q3 2019

Mustang Prospect

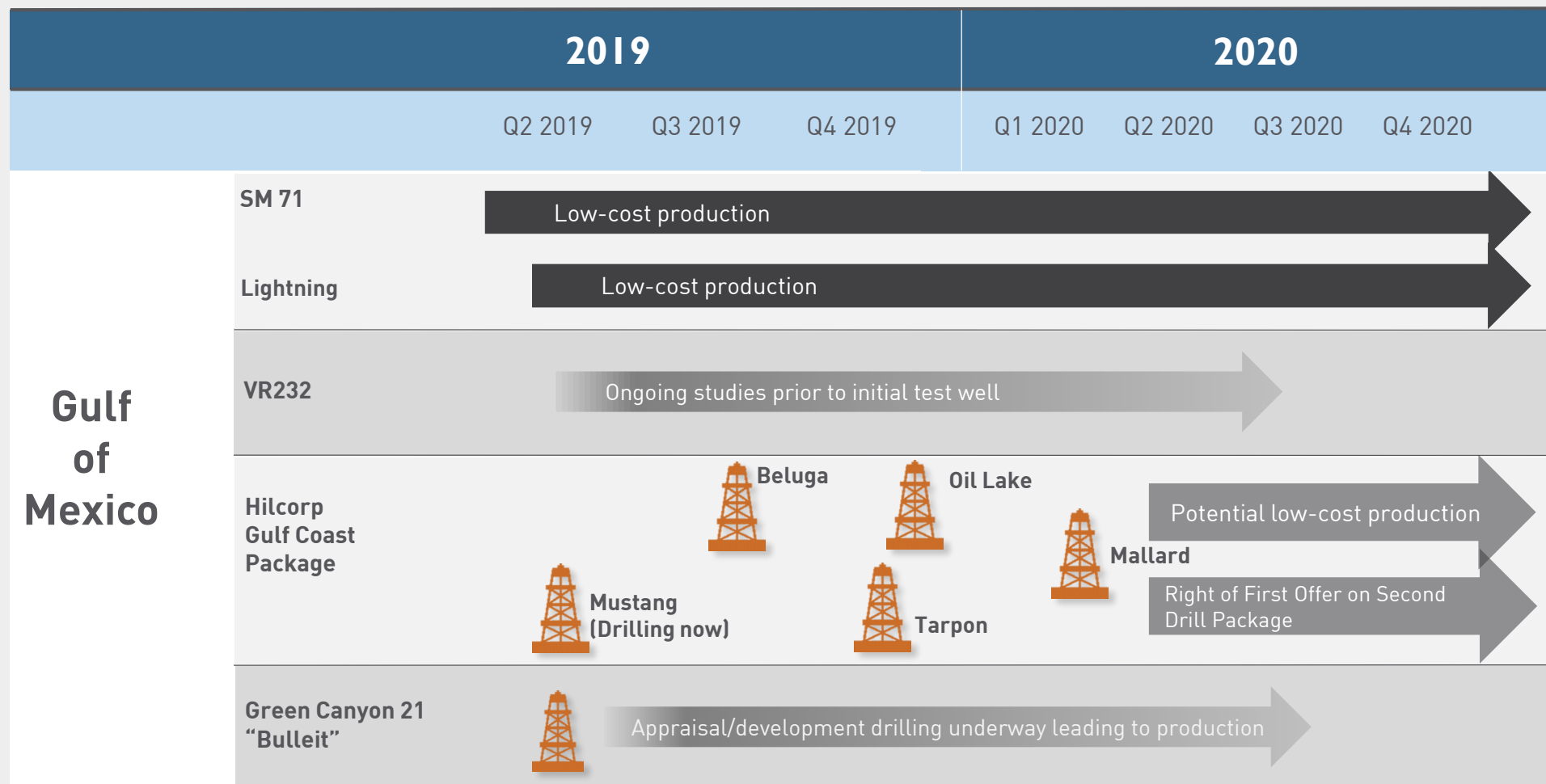
Joint Venture	Otto Energy	37.5%								
	Hilcorp Energy (operator)	62.5%								
Fiscal Terms	Landowner Royalty	25.0%								
	Held by production licence									
Location	Onshore Chambers County, Texas									
Geology	<p>Significant historical production since the 1930's exists from the Frio/Tex Miss shelf edge, however the channel/levee setting has only been lightly explored. Recent drilling in the Vicksburg has confirmed that this relatively underexplored play is yielding multiple new discoveries.</p> <p>The Mustang prospect demonstrates strong AVO (amplitude versus offset) on 3D seismic with good conformance of the amplitude response to structure at multiple levels.</p>									
Drilling	<table border="1"> <thead> <tr> <th>Well</th> <th>Drilled</th> <th>Reservoir</th> <th>Depth (MD)</th> </tr> </thead> <tbody> <tr> <td>Thunder Gulch #1</td> <td>May 2019</td> <td>Vicksburg (Oligocene)</td> <td>19,000 feet</td> </tr> </tbody> </table>	Well	Drilled	Reservoir	Depth (MD)	Thunder Gulch #1	May 2019	Vicksburg (Oligocene)	19,000 feet	
Well	Drilled	Reservoir	Depth (MD)							
Thunder Gulch #1	May 2019	Vicksburg (Oligocene)	19,000 feet							
Production	Expected approximately 90 days from logging exploration well									
Net Reserves	Maiden reserves to be reported upon establishment of steady state production									
Facilities	Completed well will be tied back to an existing gas export line near the well. Estimated completion and development costs US\$3.05 million (Otto share US\$1.30 Million)									



Chambers County Vicksburg exploration program

Pipeline of Opportunities

Otto has assembled an exciting pipeline of upcoming activities



Otto Energy Limited (ASX:OEL)

An emerging mid-tier oil and gas producer underpinned by cashflow to fund growth

- Low cost oil producer - expected to generate **net free cashflow of ~US\$2m per month** from SM 71
- Production from **Lightning** is expected to come online in 2Q 2019
- Significant activity - **extensive exploration drilling campaign with at least 6 high-impact wells to be drilled** by the end of 2019
- High Probability of Success (POS) prospects - **multiple opportunities to diversify and expand reserves, production and cash flow**
- Strong **financial and production growth discipline** - capitalise on additional opportunities in line with strict investment criteria
- **Experienced exploration and commercial team** - with a track record of value creation and risk management, complemented by quality project partners
- **Strong cash position and debt-free balance sheet** to fund continued growth

An aerial view of an offshore oil rig, specifically the ENSCO-66, situated in the middle of a deep blue ocean. The rig is a complex of steel structures, including several tall, lattice-like towers and a central derrick. A yellow crane is visible on the rig's deck. The rig is supported by four large, cylindrical legs that extend into the water. The sky is clear and blue. A semi-transparent blue rectangular box is overlaid on the left side of the image, containing the text 'Additional Information'.

Additional Information

Project Ownership Structure

Metric	SM 71	Lightning	Gulf Coast	Green Canyon 21	VR 232
Type	JV	JV	JV	JV	JV
Ownership Structure	50% WI	37.5% WI	37.5% WI (50% of Cost ¹)	16.67% WI (22.22% of Cost ¹)	100% WI
NRI	40.625%	28.50%	28.50%	13.336%	81.25%
Status	Production	Development	Exploration	Appraisal	Exploration
Onshore/Offshore	Offshore	Onshore	Onshore	Offshore	Offshore
Operator	Byron Energy (50% WI)	Hilcorp (62.5% WI)	Hilcorp (62.5% WI)	Talos Energy (50% WI)	Otto Energy
Comments	3 Wells Generating ~US\$2 Mil. Op Net Cashflow per month	Discovery Feb 2019 significantly greater than the pre-well P50; production in Q2 2019.	One discovery so far. Five wells remaining. Mustang currently drilling.	Appraisal well underway with a secondary exploration target providing upside.	Block adjacent to SM 71

1. The promote only applies to the initial test well, land (if applicable) and associated costs. All subsequent other costs after discovery are at the working interest share.

2. Alaska is not included here as little activity and expenditure is expected over the coming period.

Management Team



Matthew Allen
Managing Director & CEO
BBus, FCA, FFin, GAICD

Global exposure to the upstream oil and gas industry with over 18 years experience in Asia, Africa, USA, Australia and Middle East. Previous senior roles with Woodside over an 8 year period.



David Rich
Chief Financial Officer & Company Secretary
BCom. FCA, GAICD, Grad.Dip.CSP AGIA

Experienced listed company CFO with the last 16 years as CFO of upstream oil and gas companies with international interests including in Australia, Europe, Asia and the USA.



Philip Trajanovich
Senior Commercial Manager
B.Com (First Class Honours)

Global experience as a commercial manager working with Aurora Oil & Gas, ConocoPhillips and Woodside. Extensive international and US experience in all facets of upstream oil and gas operations and commercial structures.



Will Armstrong
Vice President, Exploration and New Business
B.S Geology, M.S. Geology (Geophysics and Hydrogeology)

Over 30 year's experience working the Gulf Coast and Gulf of Mexico as an explorer both as a prospect generator and prospect screener. Previous roles with Tri-C, Newfield, CL&F, Westport, Petroquest and Tenneco Oil Company based in Houston and Lafayette.



Mark Sunwall
Senior Exploration Consultant
B.S Geology, M.S. Geology

Successful 40+ year career with onshore Gulf Coast and Gulf of Mexico major and independent operators. Mark has worked with Aurora Oil & Gas, Woodside and Texaco.



Kevin Small
Senior Exploration Consultant & Director
BSc (Geophysical Engineering)

Extensive Gulf of Mexico exploration experience with Blue Streak Exploration, Westport Oil and Gas Company, Superior Oil Company and McMoran Oil and Gas.

Board of Directors



John Jetter
Non-Executive Chairman
LLB, BEc INSEAD

Former MD/CEO J.P. Morgan Germany. Non-Executive Director of Venture Minerals and Peak Resources Ltd.



Ian Macliver
Non-Executive Director
BComm, FCA, SF Fin, FAICD

Managing Director Grange Consulting. Non-Executive Chairman of Western Areas.



Ian Boserio
Non-Executive Director
BSc (Hons)

Executive Technical Director of Pathfinder Energy Pty Ltd. Former executive positions with Shell & Woodside in international exploration roles.



Kevin Small
Non-Executive Director & Senior Exploration Consultant
BSc (Geophysical Engineering)

Extensive Gulf of Mexico exploration experience with Blue Streak Exploration, Westport Oil and Gas Company, Superior Oil Company and McMoran Oil and Gas.



Matthew Allen
Managing Director & CEO
BBus, FCA, FFin, GAICD

Global exposure to the upstream oil and gas industry with over 18 years experience in Asia, Africa, USA, Australia and Middle East. Previous senior roles with Woodside over an 8 year period.



Paul Senyica
Non-Executive Director
BSc (Hons), MAppSc

International oil & gas experience gained over 35 years. Specific focus on Australia, USA, South East Asia & Africa. Previous roles at Beach, Woodside Energy and Shell International.



David Rich
Chief Financial Officer & Company Secretary
BCom. FCA, GAICD, Grad.Dip.CSP AGIA

Experienced listed company CFO with the last 16 years as CFO of upstream oil and gas companies with international interests including in Australia, Europe, Asia and the USA.

An aerial view of the South Marsh Island 71 offshore oil rig. The rig is a complex steel structure with several tall derrick towers. One of the towers has a sign that reads "ENSCO-68". The rig is supported by four large steel legs extending into the dark blue ocean. The sky is clear and blue. A semi-transparent blue box is overlaid on the left side of the image, containing text.

South Marsh Island 71

Production commenced
March 2018

Production - South Marsh Island 71

Strong free cashflow base to fund growth ~US\$2m in net operating cashflow each month

- Production commenced in March 2018.
- Currently producing approximately 3,100 bopd plus 7 MMscf/d of gas (gross)
- Low opex, high margin oil production. SM 71 receives premium pricing to WTI at LLS benchmark. Low transportation costs through existing infrastructure
- Recently acquired a modern, high-quality 3D seismic data set over the area to prepare a field development study incorporating recent field performance, and studies on additional hydrocarbon bearing sands intersected during drilling, to assess Operator's development plans
- Potential opportunity to grow production and cash flow through additional development wells and underutilized platform capacity
 - Platform with capacity for **up to 6 production wells and 5,000 bopd** (currently three wells are installed)
- Otto owns and operates 100% of Vermillion 232 (VR 232) lease which is adjacent to SM 71 and potentially provides future incremental opportunities de-risked by the SM 71 drilling successes
- 50:50 JV (40.625% NRI) with operator Byron Energy on GoM shelf in 131 feet of water.



SM 71 F Production Platform (Gulf of Mexico)

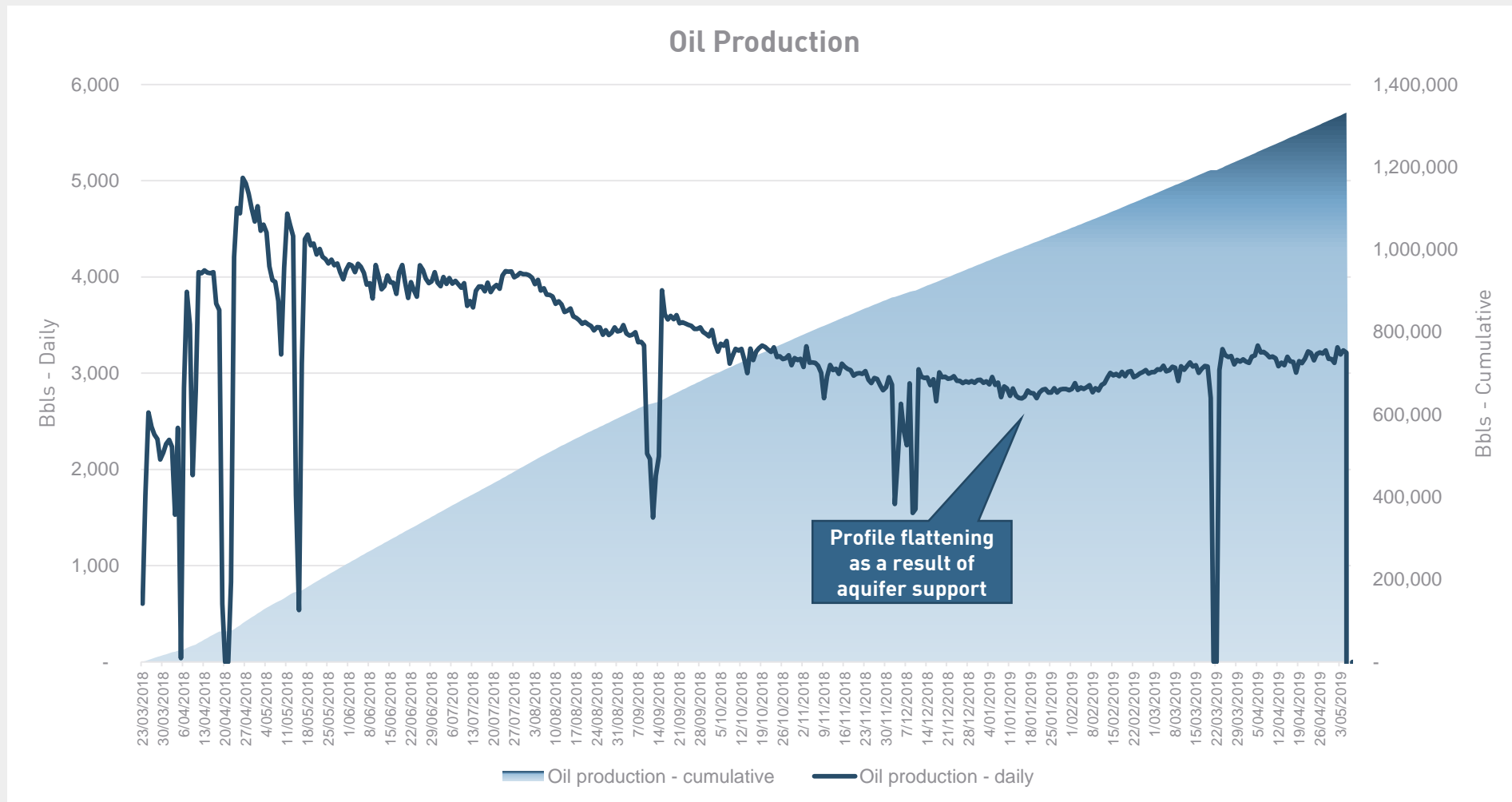
South Marsh Island 71 – Key Facts

Discovered in 2016 – production commenced March 2018

JV Partners	Otto Energy 50.0% WI / 40.625% NRI Byron Energy (operator) 50.0% WI / 40.625% NRI	Lease terms	Held by production, entry secured via farm-in during December 2015, Royalty rate 18.75%
Geology	Pleistocene to Pliocene age sands primarily trapped in three way structural closures bound by either salt or stratigraphic thinning ranging from depths of 5,000 feet to 8,000 TVD	F1 and F3 wells	F1 and F3 wells currently completed in D5 sand No prior production from the D5 sand in SM 71 The D5 sand is a prolific production interval at the SM 73 salt dome with cumulative production of over 20.5 MMbbls oil and 15.2 Bcf of gas
Water Depth	40 meters (131 feet)	F2 well	F2 well currently completed in B55 sand Recompletion undertaken in October 2018 and gas lift modifications undertaken in December 2018
Discovery well	F1 well drilled April 2016 with 132 TVT net feet oil	Cumulative Production	First oil produced 23 March 2018 1.0 million bbls of oil and 1.3 bcf of gas produced by 14 January 2019
Additional Wells	F2 drilled November 2017, 205 TVT net feet oil F3 drilled January 2018, 175 TVT net feet oil	Gross Production Rates	~3,100 bopd of oil and 7,100 mscf of gas
F Platform	JV owned tripod, 6 well slots, installed October 2017		
Gross Project Cost	US\$52 million		

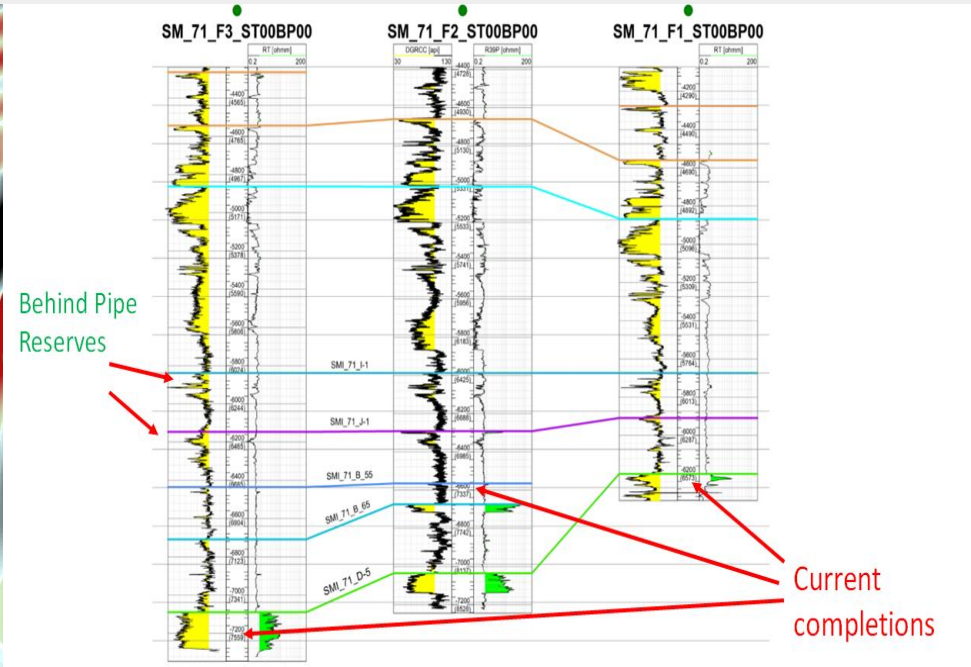
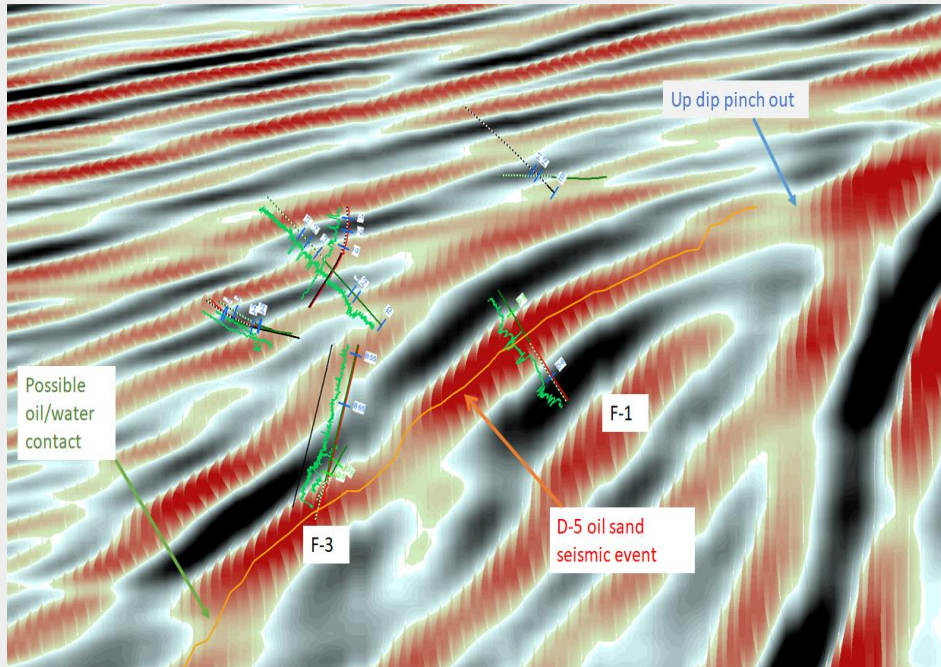
South Marsh Island 71 – Production History

Field reached 1 million bbls production milestone in January 2019 – less than one year after production commenced



South Marsh Island 71 - D5 Sand Completions

Salt dome flank play unlocked with further infill opportunity



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South Marsh Island 71 – Reserves Statement

SM 71 30 June 2018 Collarini & Associates Independent Estimate	Gross 100%			Otto Net (40.625%)		
	Oil (Mbbl)	Gas (MMscf)	MBoe	Oil (Mbbl)	Gas (MMscf)	MBoe
Proved Developed Producing (PDP)	3,466	2,130	3,821	1,408	865	1,552
Proved Behind Pipe (PDNP)	609	380	672	248	155	274
Proved Undeveloped (PUD)	1,404	868	1,549	570	352	629
Proven (1P)	5,479	3,378	6,042	2,226	1,372	2,455
Probable	9,030	6,974	10,192	3,668	2,833	4,140
Proven Plus Probable (2P)	14,509	10,352	16,234	5,894	4,205	6,595
Possible	4,651	3,970	5,313	1,890	1,613	2,159
Proven Plus Probable Plus Possible (3P)	19,160	14,322	21,547	7,784	5,818	8,754

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.



Gulf Coast Package with Hilcorp Energy

Multi-well exploration package with first
discovery made February 2019

Gulf Coast Package - Exploration with Hilcorp

Value of Lightning discovery expected to exceed capital costs of the full 8 well program

- Lightning exploration well delivers **first discovery** in program with production expected to commence in Q2 2019
- The value of the Lightning discovery is expected to exceed the capital cost of the 8 well program.
- Portfolio of a **further five high probability of success**, technically independent exploration prospects generated off new proprietary 3D seismic remaining to be drilled in 2019
- **Mustang well** is currently underway and as at 8 May 2019 was at 3,220 feet and **drilling ahead**.
- Highly experienced and privately owned US Gulf Coast operator **Hilcorp Energy** executing **drilling and development program**
- Near/Onshore locations with identified access to infrastructure providing **rapid, low capex pathway from discovery to production** upon success
- Otto earn a 37.5% working interest by paying 50.0% of the costs of drilling and setting casing or plugging and abandoning at each prospect plus lease acquisition costs of the 8 well program. Capital expenditure for the next five wells expected to be ~US\$24 million
- **Attractive deal terms** with potential for further drilling opportunities beyond the initial eight wells

Gulf Coast Package – Lightning Discovery

Flow test indicates high liquids yield and strong production expected - commencing in Q2 2019

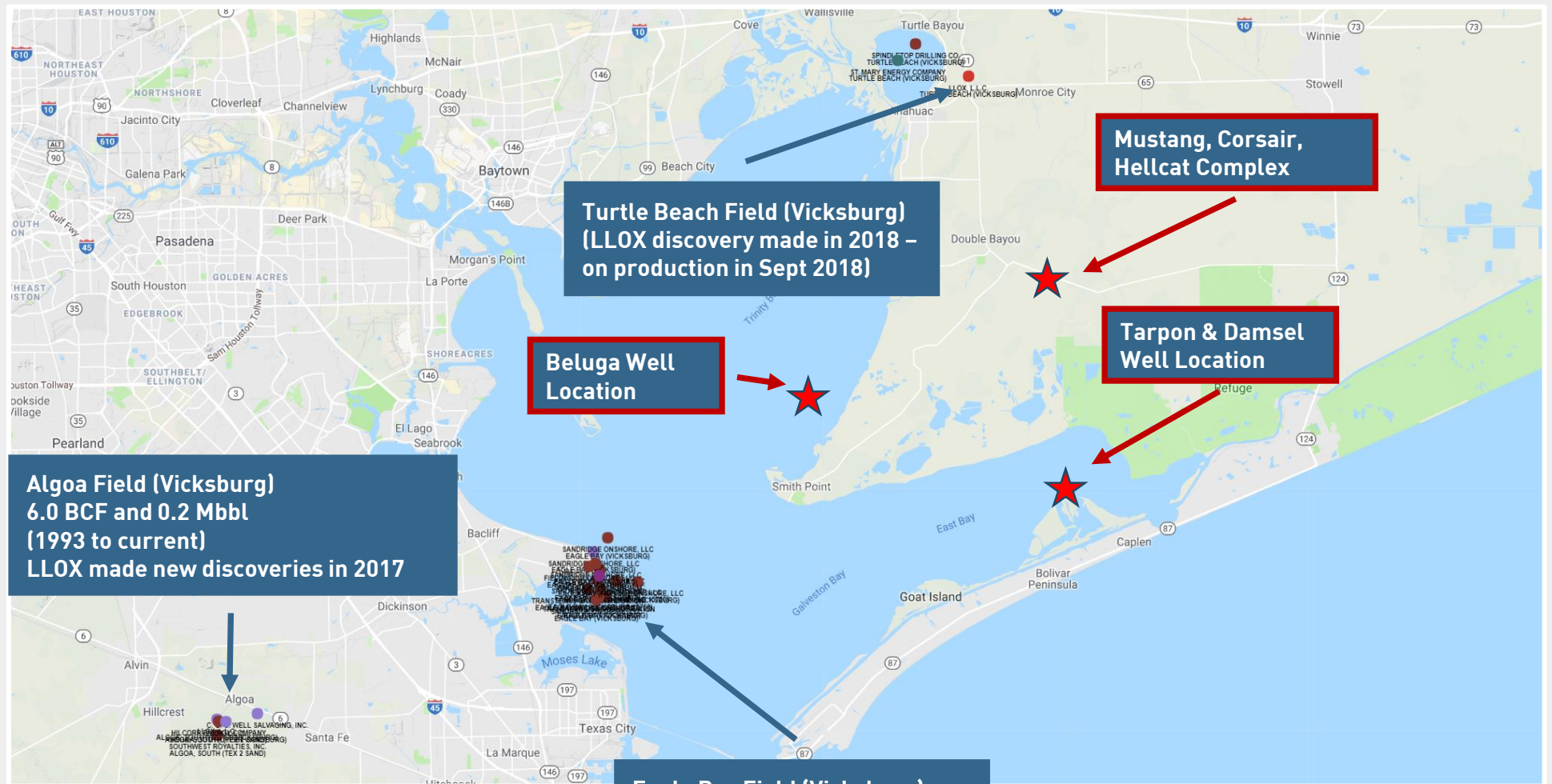
- Discovery made Feb 2019 with **180 feet of net pay logged** compared to pre-drill P50 and P10 estimates of 31 and 75 feet respectively
- **Production expected to commence in Q2 2019**
- **Facilities construction completed** with pipeline tie-in to be done in Q2 2019. Total completion and development to cost US\$1.5 million (Otto share)
- **Flow test indicates high liquids yield** of 40-45 bbls per MMscf – well in excess of pre-drill estimates
- Flow test results, high well pressures and nearby Freo Tex Mis production rates of 8-13 MMscf/d **indicate high production rates can be expected**
- **Well to generate ~US\$0.5 million/month** for Otto at current commodity prices (1 well) based on flow test information and nearby production rates
- Ultimate economic recovery from the field to include recompletions in higher sands and likely further wells

	Pre-drill Estimates			Actual Result	% Increase over P50 Pre-drill Estimate
	P10	P50	P90		
Net Pay (feet)	75	31	13	180 - 330	481% - 965%
Liquids ratio (CGR) bbls per MMcf	20	10	5	40 - 45	300% - 350%
Prospective Resources MMboe (28.50% NRI)	2.87	0.91	0.26	Reserves to be determined	

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. Refer to slide 43 for further information on prospective resources disclosure.

Chambers County – Vicksburg Prospects



©2019 Well Database

1. Data source AAPG
2. Data source Texas Railroad Commission

Chambers County – Mustang Prospect (Currently Drilling)

Mustang Key Details	
JV Partners	<p>Hilcorp (operator) 62.5%</p> <p>Otto Energy 37.5%</p>
Objective	17,500 ft MD targeting Oligocene Vicksburg formation
Geological Setting	<p>Significant historical production exists from the Frio/Tex Miss in Chambers County, however the Vicksburg has seen limited exploration in the Chambers County area. Mustang is an amplitude supported slope channel/fan. Recent modern 3D seismic has yielded discoveries that prove working analogues in the slope channel/fan setting at Eagle Bay, Algoa Turtle Beach fields in the Vicksburg.</p> <p>The Mustang prospect demonstrates strong AVO (amplitude versus offset) on 3D seismic with good conformance of the amplitude response to structure.</p>
Lease terms	Royalty rate 24%
Upside Potential	Corsair and Hellcat
Development Plan	A completed well would be tied back to an existing gas export line near the well with first sales expected to be delivered approximately 90 days after any successful pay in the well is logged. Estimated completion and development costs US\$0.7 million (Otto share US\$0.26 million)

MUSTANG PROSPECTIVE RESOURCES¹

Prospect	GROSS			OTTO 37.5% WI			OTTO 28.50% NRI		
	Oil (MMbbl)	Gas (Bscf)	MMBOE (6:1)	Oil (MMbbl)	Gas (Bscf)	MMBOE (6:1)	Oil (MMbbl)	Gas (Bscf)	MMBOE (6:1)
P90	0.41	14.80	2.88	0.15	5.55	1.08	0.12	4.22	0.82
P50	1.42	31.50	6.67	0.53	11.81	2.50	0.40	8.98	1.90
Mean	2.26	37.80	8.56	0.85	14.18	3.21	0.64	10.77	2.44
P10	5.23	69.20	16.76	1.96	25.95	6.29	1.49	19.72	4.78

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. Refer to the ASX release “Otto Farms in to Eight Well Gulf Coast Package with Hilcorp” dated 31 July 2018 for further details on the prospective resources.

Gulf Coast Package – Prospective Resources

Independent prospects committed to be drilled based on proprietary 3D seismic results

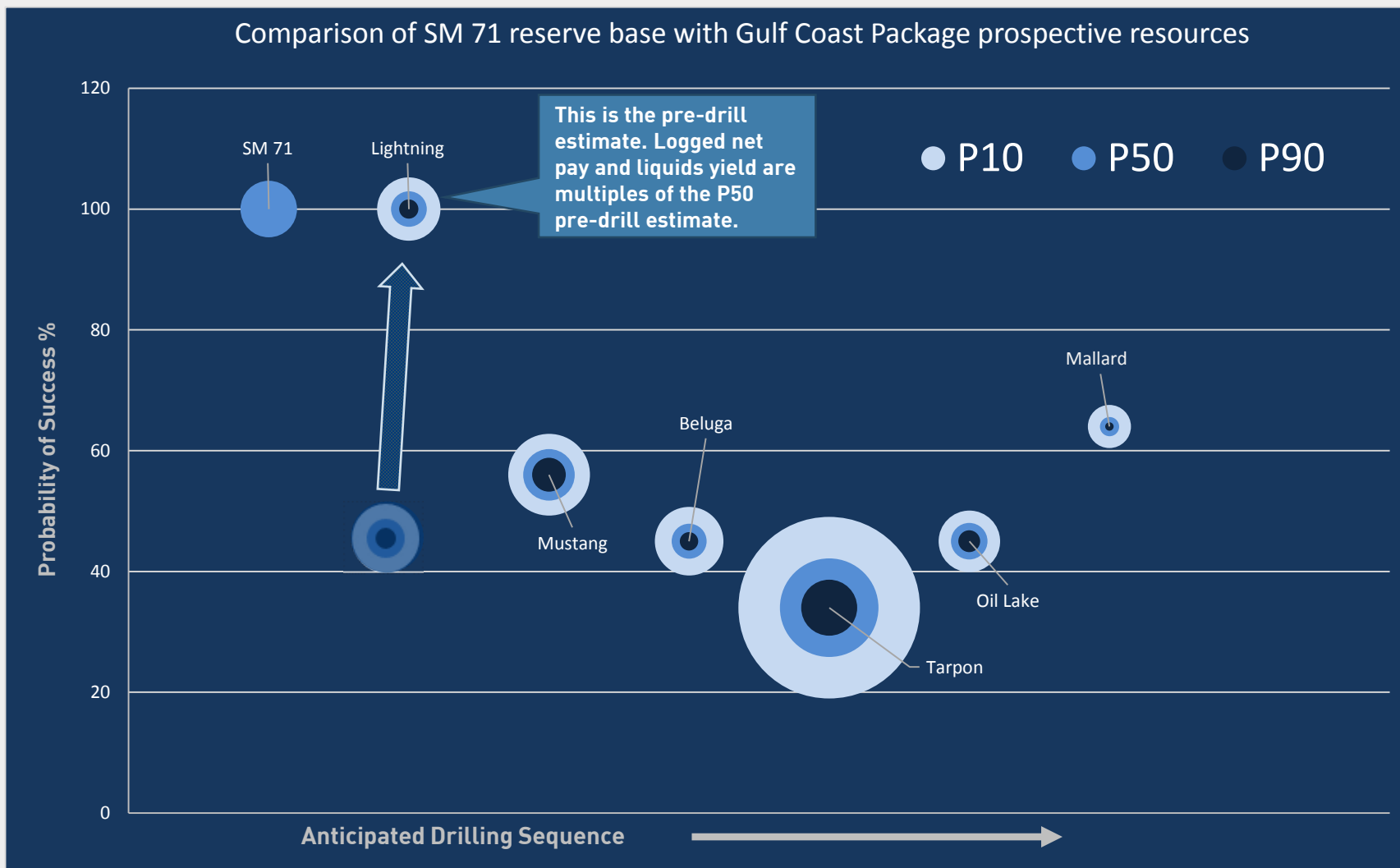
Prospect Name (State)	Working Interest	Net Revenue Interest	Planned Spud Date	Target Depth (TVD), ft	Stratigraphic Interval	Probability of Success	Prospective Resources ¹ MMboe			
							Otto Net Revenue Interest			
							P90	P50	Mean	P10
Mustang, TX	37.50%	28.13%	May-19	17,500	Oligocene	56%	0.8	1.9	2.4	4.8
Beluga, TX	37.50%	28.50%	Oct-19	13,000	Oligocene	45%	0.2	0.9	1.4	3.4
Tarpon, TX	37.50%	29.06%	Nov-19	14,000	Oligocene	34%	2.2	7.0	10.5	23.5
Oil Lake, LA	37.50%	29.06%	Dec-19	14,500	Frio	45%	0.3	1.0	1.3	2.7
Mallard, LA	37.50%	29.63%	Feb-20	11,000	Mid Miocene	64%	0.1	0.3	0.5	1.3

¹Prospective 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.

Gulf Coast Package - Timing

Risk-weighted potential of the Hilcorp Gulf Coast portfolio versus SM 71



Refer to the ASX announcement dated 31 July 2018 for further information on prospective resources disclosure.



Green Canyon 2I “Bulleit” Appraisal Well

Low risk, high production rate oil development with deeper amplitude supported exploration potential

Green Canyon 21 – “Bulleit” Well Currently Drilling

Participating in appraisal well testing “*Bulleit*” prospect with respected offshore operator Talos Energy.

- Drilling of existing discovery now underway with further upside through deepening to test a second target from the same well
- Production and cashflow to commence in 2020 with potential flow rates from the MP sand of 8-15,000 boepd based on nodal analysis
- US\$9 mil. initial expenditure incl DHC, bonding and insurance
- “Bulleit is an amplitude-supported Pliocene prospect with similar seismic attributes to the analogous sand section in Talos’s Green Canyon 18 field, which has produced approximately 39 MMBoe to date” Talos¹

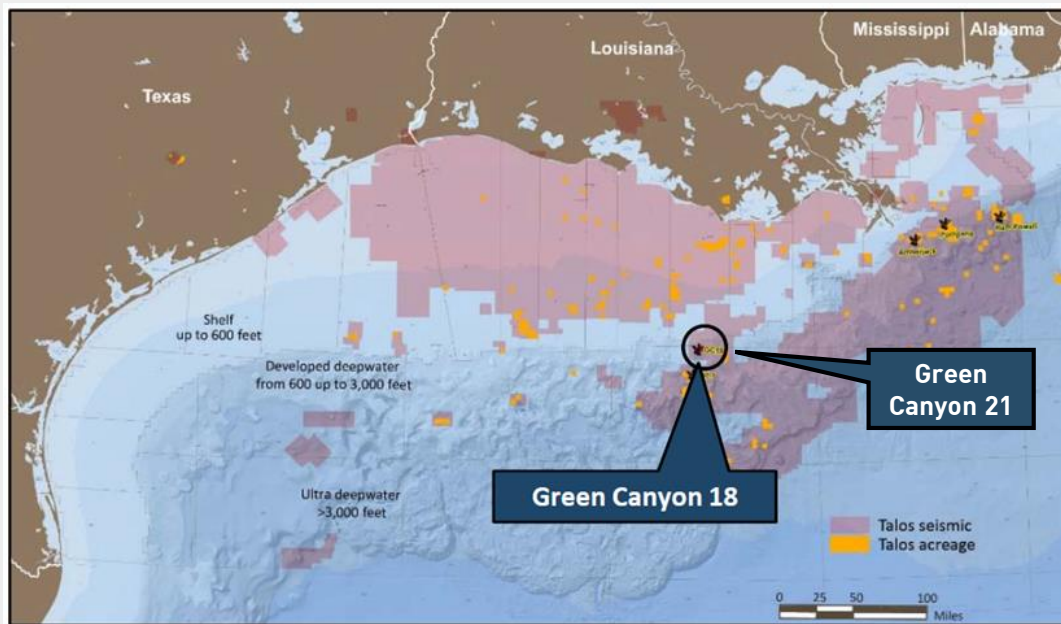
Joint Venture Parties		
Party	Working Interest	Net Revenue Interest
Talos Energy (Operator)	50.00%	40.00%
EnVen Energy Ventures LLC	33.33%	27.92%
Otto Energy	16.67%	13.34%



Talos Energy (NYSE: TALO) is a technically driven independent exploration and production company with operations in the United States Gulf of Mexico and in the shallow waters off the coast of Mexico. Talos’s focus in the United States Gulf of Mexico is the exploration, acquisition, exploitation and development of shallow and deepwater assets near existing infrastructure. The shallow waters off the coast of Mexico provide Talos with high impact exploration opportunities in an emerging basin.

Gulf of Mexico Green Canyon 21 Farm-in - Overview

Otto participating in appraisal/development drilling at Green Canyon 21 operated by Talos Energy



Low risk, high production rate oil development with deeper amplitude supported exploration potential

- Farm-in terms: 1/3 for 1/4 on first well
- Working Interest: 16.67% (paying 22.22% on first well)
- Net Revenue Interest: 13.34%
- Timing: Well now drilling with first production in 2020
- Probability of success: 63%
- Development plan: Subsea tieback to Talos - operated GC-18A Platform.
- Initial well capital requirement:
 - US\$33 mil. (100%) US\$9.0 mill.¹ (Otto Share)
- Development capex:
 - US\$80-100 mil. (100%) US\$13-17 mil. (Otto 16.67%)
- Potential flow rates 8-15,000 boepd for MP sands
- Bonito benchmark revenue
- P50 Prospective resources:
 - Gross (100%) 14.5 MMboe; NRI (13.34%) 1.9 MMboe

Talos has advised that gross prospective resources are expected to be between 10 to 30 MMboe on an unrisks basis.

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. Refer to the ASX release "Otto Farms in to Eight Well Gulf Coast Package with Hilcorp" dated 31 July 2018 for further details on the prospective resources.

Green Canyon 21 – Overview of Bulleit

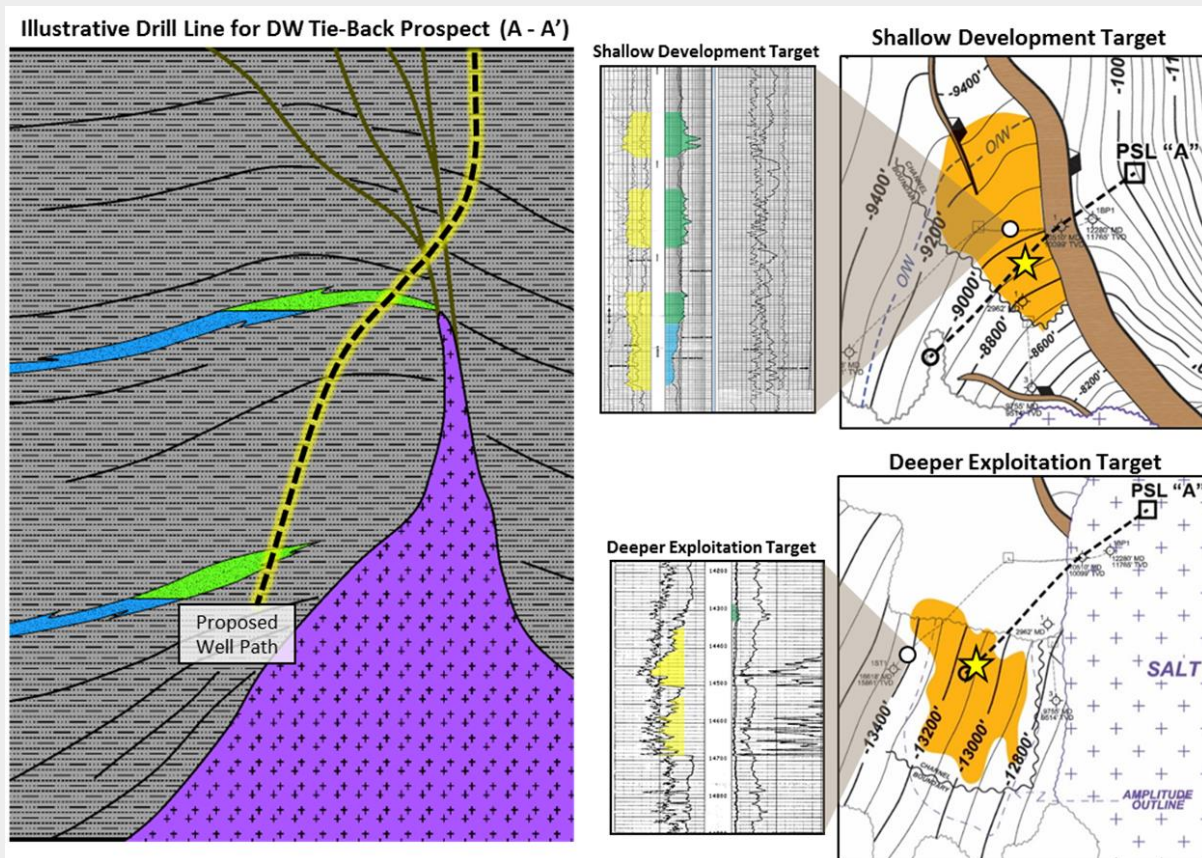
Key targets already discovered and tested – appraisal/development well currently drilling

- **Originally discovered in 1984**

- Three oil sands discovered within the DTR-10 Sand Package; DSTs from first and third sands yielded test rates of 2,100 bopd and 1,675 bopd
- Higher production rates will be delivered when connected to a production platform
- Sidetrack found oil pay in both DTR-10 and deeper MP Sands.
- 1987 well also found oil in DTR-10 Sand.

- **Talos farmed into GC 21 from EnVen in December 2018.**

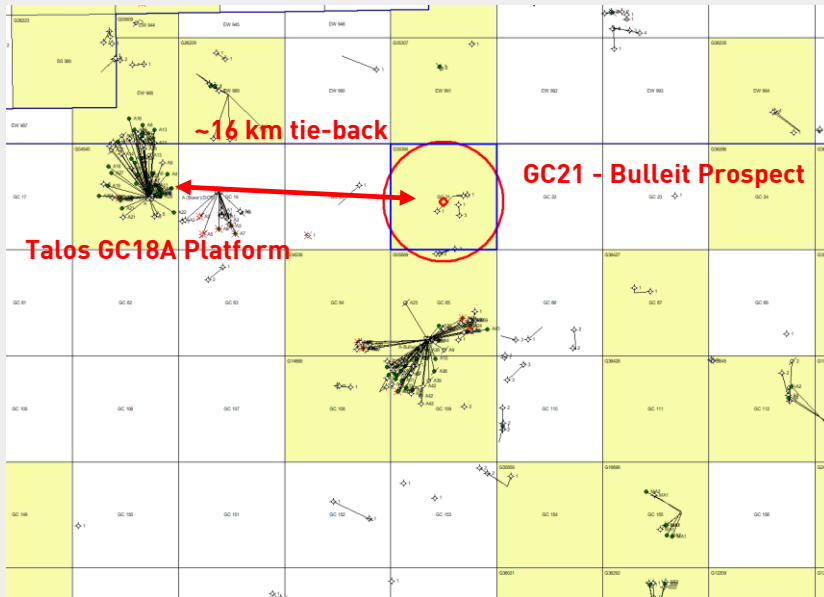
- Earlier this year, Talos signed a participation agreement with a subsidiary of EnVen Energy Corporation, that initially owned and generated the Bulleit prospect, wherein Talos became the operator and committed to drill with an initial working interest of 66.7%.
- Talos owns and operates the GC 18A platform with spare capacity within tie back distance of GC 21
- Talos strategy is to utilize the infrastructure to profitably develop prospective resources within tie back distance.



Green Canyon 21 Farm-in – Overview of Development

Subsea development planned to start production in 2020

- Talos will complete the well as a subsea tieback with a smart completion; tying back to Talos operated GC 18A-Platform.
- Adequate capacity for a second well if warranted for acceleration.
- Date of first production is estimated by Talos to be 12-18 months from spud.
- Talos expects initial production rates from the MP sand to be between 8,000 and 15,000 boepd based on nodal analysis.



Green Canyon 18A Production Facility

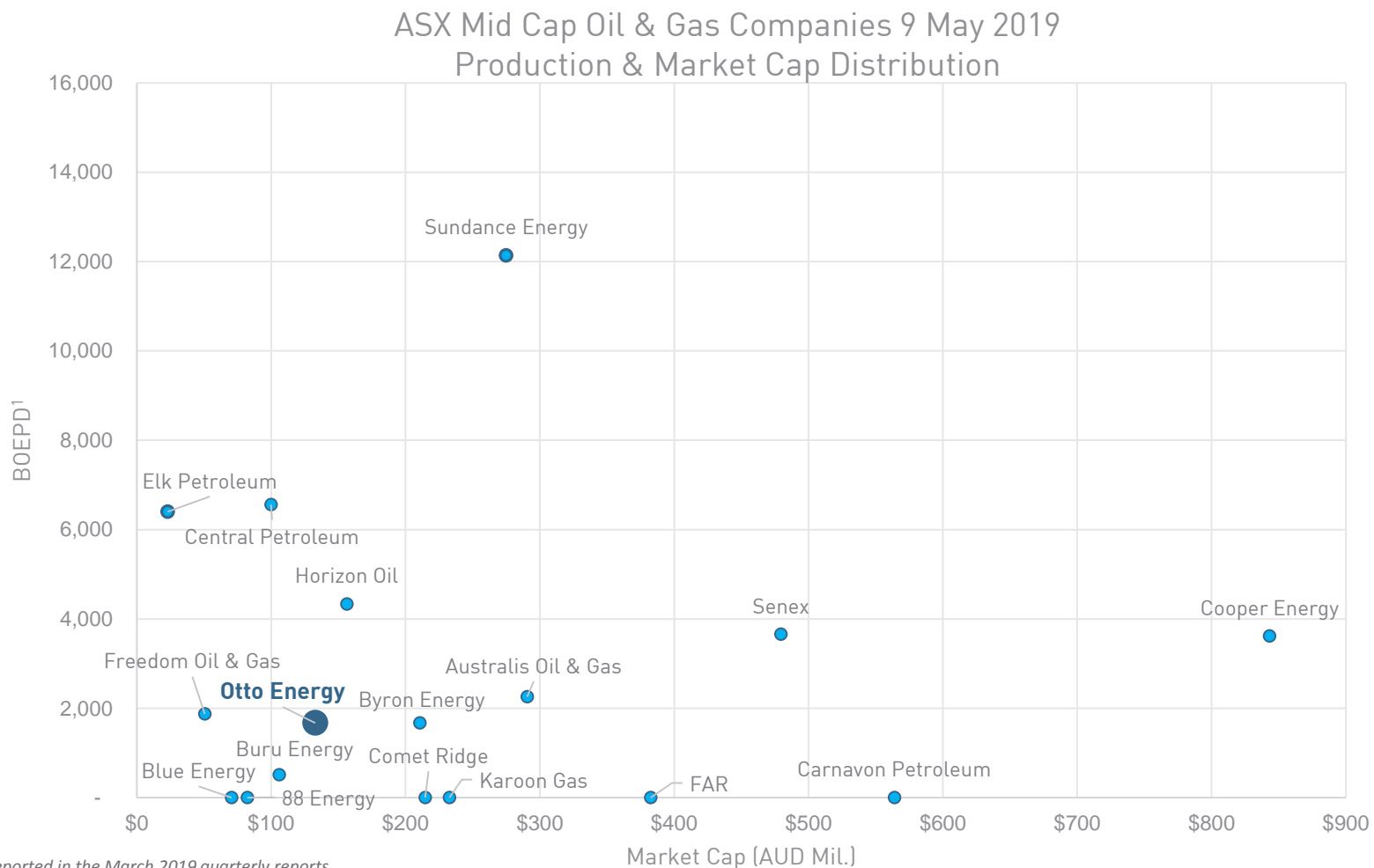


Summary

Otto Energy Limited (ASX:OEL)

Peer Analysis

High margin producer with compelling valuation metrics



1. Production is as reported in the March 2019 quarterly reports.

Reserves & Prospective Resources

RESERVES AND PROSPECTIVE RESOURCES

OTTOENERGY WORKING INTEREST (WI) %

Reserves - 30 June 2018	Oil (Mbbbls)	Gas (MMscf)	Mboe (6:1)
SM-71, WI (50%)			
Proved Producing	1,733	1,065	1,910
Proved Behind Pipe	305	191	337
Proved Undeveloped	702	433	774
Proved (1P)	2,740	1,689	3,021
Probable Reserves	4,514	3,487	5,096
Proved and Probable (2P)	7,254	5,175	8,117
Possible Reserves	2,326	1,985	2,657
Proved, Probable and Possible (3P)	9,580	7,161	10,774

Prospective Resource (Best Estimate, Unrisked)	Oil (Mbbbls)	Gas (MMscf)	Mboe (6:1)
SM-71, WI (50%)	476	23,844	4,450
Lightning (Pre-drill), WI (37.5%)	137	9,459	1,713
Mustang, WI (37.5%)	848	14,175	3,210
Beluga, WI (37.5%)	454	7,969	1,782
Oil Lake, WI (37.5%)	1,252	2,522	1,672
Tarpon, WI (37.5%)	3,454	60,739	13,577
Mallard, WI (37.5%)	168	2,922	655
Bulleit, WI (16.67%)	2,155	1,572	2,417
Alaska (Central Blocks) WI (10.8%)	70,000	-	70,000

RESERVES AND PROSPECTIVE RESOURCES

OTTOENERGY NET REVENUE INTEREST (NRI) %

Reserves - 30 June 2018	Oil (Mbbbls)	Gas (MMscf)	Mboe (6:1)
SM-71, NRI (40.625%)			
Proved Producing	1,408	865	1,552
Proved Behind Pipe	248	155	274
Proved Undeveloped	570	352	629
Proved (1P)	2,226	1,372	2,455
Probable Reserves	3,668	2,833	4,140
Proved and Probable (2P)	5,894	4,205	6,595
Possible Reserves	1,890	1,613	2,159
Proved, Probable and Possible (3P)	7,784	5,818	8,754

Prospective Resource (Best Estimate, Unrisked)	Oil (Mbbbls)	Gas (MMscf)	Mboe (6:1)
SM-71, NRI (40.625%)	387	19,373	3,616
Lightning (Pre-drill), NRI (28.5%)	104	7,189	1,302
Mustang, NRI (30.0%)	644	10,773	2,440
Beluga, NRI (28.5%)	363	6,375	1,426
Oil Lake, NRI (29.06%)	970	1,954	1,296
Tarpon, NRI (29.06%)	2,676	47,068	10,521
Mallard, NRI (29.63%)	133	2,309	518
Bulleit, NRI (13.34%)	1,724	1,258	1,934
Alaska (Central Blocks) NRI (9 - 9.45%) *	58,333 - 61,250	-	58,333 - 61,250

* Precise weighted average royalty split unknown, volumetric range provided based on 12.5 to 16.67% royalty range.

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.

Notes:

- Lightning has been drilled by the Green#1 well and was a discovery. Logs indicate the discovery is substantially above pre-drill expectations. Refer to slide 8.
- Refer to Otto Energy's announcement to ASX on 6 August 2018 for full information on the SM 71 independent Reserves Report prepared by Collarini and Associates as at 30 June 2018. Please also refer to the notes on slides 38 and 39 regarding reserves and prospective resources.

Competent Persons and Cautionary Statements

Competent Persons Statement

The information in this report that relates to oil and gas resources in relation to the Gulf Coast Package (Lightning, Mustang, Beluga, Oil Lake, Tarpon and Mallard) in the Gulf of Mexico was compiled by technical employees of Hilcorp Energy Company, the Operator of the Gulf Coast Package, and subsequently reviewed by Mr Will Armstrong BS in Geology, MS in Geology (Applied Geophysics), who has consented to the inclusion of such information in this report in the form and context in which it appears.

The information in this report that relates to oil and gas resources in relation to Green Canyon 21 (GC 21) in the Gulf of Mexico was compiled by technical employees of Talos Energy and reviewed by Mr Will Armstrong BS in Geology, MS in Geology (Applied Geophysics), who has consented to the inclusion of such information in this report in the form and context in which it appears.

Mr Armstrong is an employee of the Company, with more than 30 years relevant experience in the petroleum industry and is a member of The Society of Petroleum Engineers (SPE). 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 Armstrong. Mr Armstrong 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 resources in relation to Alaska Central Blocks was compiled by technical employees of Great Bear Petroleum, the Operator of the Alaska acreage, and subsequently reviewed by Mr Paul Senycia BSc (Hons) (Mining Engineering), MAppSc (Exploration Geophysics), who has consented to the inclusion of such information in this report in the form and context in which it appears.

Mr Senycia is an employee of the Company, with more than 30 years relevant experience in the petroleum industry and is a member of The Society of Petroleum Engineers (SPE). 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 Senycia. Mr Senycia 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 reserve and contingent resource information in this report in relation to SM 71 is based on information compiled by technical employees of independent consultants Collarini Associates, under the supervision of Mr Mitch Reece BSc PE. Mr Reece is the President of Collarini Associates and is a registered professional engineer in the State of Texas and a member of the Society of Petroleum Evaluation Engineers (SPEE), Society of Petroleum Engineers (SPE), and American Petroleum Institute (API). The reserves and 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 reserves and resources information reported in this Statement is based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, Mr Reece. Mr Reece 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.

Competent Persons and Cautionary Statements

Prospective Resources

Prospective resource estimates in this report for SM 71 are prepared as at 30 June 2018. Refer to the ASX release of 6 August 2018. The Gulf Coast Package and Alaska Central Blocks prospective resource estimates in this report are effective as at 30 June 2018. The prospective resources information in this document for GC 21 is effective as at 22 February 2019.

The resource estimates have been prepared using the internationally recognised Petroleum Resources Management System to define resource classification and volumes. The resource estimates are in accordance with the standard definitions set out by the Society of Petroleum Engineers, further information on which is available at www.spe.org. The prospective resource estimates have been prepared using the deterministic method except for the Gulf Coast Package and Green Canyon 21 which have used the probabilistic method. The prospective resources information in this document is reported according to the Company's economic interest in each of the resources and net of royalties. The prospective resources information in this document has been estimated using a 6:1 BOE conversion ratio for gas to oil; 6:1 conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency. The estimates are un-risked and have not been adjusted for either an associated chance of discovery or a chance of development. The 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. Prospective resources are reported on a best estimate basis. Otto is not aware of any new information or data that materially affects the assumptions and technical parameters underpinning the estimates of reserves and contingent resources and the relevant market announcements referenced continue to apply and have not materially changed.

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.

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 estimates.

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