

GOOD OIL CONFERENCE PERTH

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INVESTOR PRESENTATION

September 2015

ASX: OEL

OTTO
ENERGY

Disclaimer

This presentation does not constitute an offer to sell securities and is not a solicitation of an offer to buy securities. It is not to be distributed to third parties without the consent of Otto Energy Limited (the “Company”).

This presentation contains forward looking statements that are subject to risk factors associated with oil and gas businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market

conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

The Company, its directors, officers and employees make no representation, warranty (express or implied), or assurance as to the completeness or accuracy of forward looking statements.

The reserve and contingent resource information in this report is based on information compiled by Mr Paul Senyia 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 Senyia is a full time 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).

Prospective Resource Cautionary Statement

The estimated quantities of petroleum that may potentially be recoverable 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.

Prospective Resources

Prospective resource estimates in this presentation are prepared as at 28 November 2013 (reference: ASX announcement 28 November 2013), (11 December 2013) (reference: ASX announcement 11 December 2013). 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 estimates are unrisks and have not been adjusted for both an associated chance of discovery and a chance of development.

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.

Otto value proposition

Cash backed with funded appraisal and exploration activity

Strong Financial Position

> US\$41M IN CASH AND DEBT FREE

\$0.064/share returned to shareholders in June 2015

.....

Fully funded for exploration program for two years

.....

Company is debt free

Alaskan North Slope Appraisal

INITIAL ENTRY INTO PROVEN PETROLEUM SYSTEM

Alaskan North Slope home to > 17bn bbls of produced oil and 13 trillion cubic feet of gas

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Substantial data already acquired in Otto acreage including > 1,700 km² 3D seismic and 3 new wells

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Multiple play types in both conventional and unconventional reservoirs

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Oil already intersected in numerous conventional and unconventional reservoirs by the existing well control

.....

Upcoming northern winter operating season will expose Otto to 3D seismic acquisition and drilling

Philippines Exploration

FIRST DEEPWATER WELL AT HAWKEYE DISCOVERS WORKING PETROLEUM SYSTEM

Otto has successfully drilled the Hawkeye-1 exploration well discovered a 27 m hydrocarbon column proving the existence of an active petroleum system

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Indications of fluorescence in drilling cuttings confirms the presence of liquid hydrocarbons in the area

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Drilling results will now be incorporated into understanding of remaining leads and prospects

.....

Seek to secure partners to drill follow-up prospects in SC55

Tanzania Exploration

HIGHLY PROSPECTIVE FRONTIER REGION

Exploration program comprising 2 wells, fully funded

.....

Kilombero Basin Kito prospect drill ready - Unrisked net prospective resource 60.4 MMbbl to Otto

.....

Drilling scheduled for 2016

.....

Large WI supports the option to farm-down to reduce cost exposure and risk during drilling

Otto has delivered shareholder value

Otto has consistently managed cost and delivered value to shareholders despite operating and oil price challenges

Galoc Phase II Development

US\$205MM DEVELOPMENT DELIVERED ON TIME AND BUDGET

Galoc Phase II development completed in December 2013 on time and budget and delivered expected production increase
.....

Small operator proved that it was capable of delivering offshore project within heated sector
.....

Developed 6.6 MMbbl 2P reserve at US\$23 per bbl

Galoc Divestment

TIMELY EXIT AT PEAK OF OIL PRICE CYCLE

Completed divestment of 33% WI in the Galoc oil field in February 2015 for US\$108M
.....

Transaction represented an exit price of US\$34 per bbl 2P reserves
.....

Company focused on ensuring that asset value maximised

Capital Return

DIVESTMENT PROCEEDS ENABLED 6.4 CPS DISTRIBUTION TO SHAREHOLDERS

Otto provided a 6.4 cps distribution to shareholders ahead of commencing the Hawkeye exploration program
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Distribution was ~70% of Otto share price at time announcement of Galoc divestment
.....

Retained sufficient funding for two year appraisal and exploration program

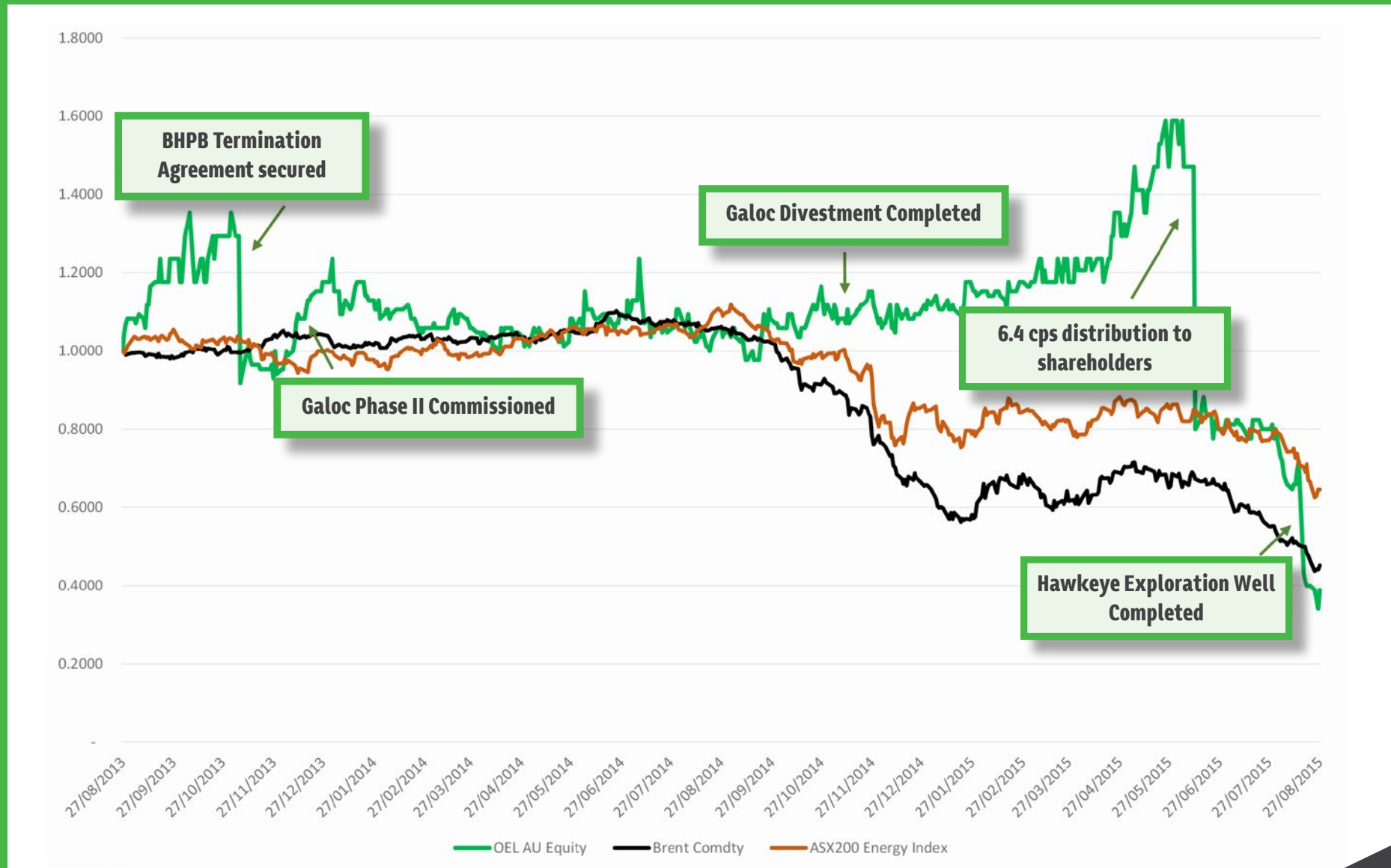
Hawkeye Operational

DEEPWATER EXPLORATION WELL EXECUTED UNDER BUDGET

Hawkeye well delivered for <US\$25M against budget of US\$32M
.....

Funding arrangement with BHPB and successful farm-down of 25% of WI ensured that Otto was fully funded for the well operation

Otto has consistently delivered value to shareholders despite oil price challenges



High Impact Plays Being Targeted

ALASKA

ALASKAN NORTH SLOPE APPRAISAL

- Staged entry model allows Otto to earn 8 to 10.8% WI in large (558,195 acre) position operated by Great Bear Petroleum
- Acreage has extensive 3D seismic coverage, existing well control and is close to the all-weather highway and TAPS
- Coming drilling seasons to test the conventional Ivashak, Kuparuk and Brookian play types

TANZANIA & EAST AFRICA

TANZANIA EXPLORATION

- Focus on evaluating East Africa Rift System (emerging hydrocarbon province)
- 50% WI in Kilosa-Kilombero and Pangani blocks
- Similar geological characteristics (basin age and structure) identified on 2D seismic to Lokichar Basin and Lake Albert
- 2D seismic definition of Kito prospect in Kilosa-Kilombero Basin

PHILIPPINES EXPLORATION SC55

- 78.18% WI and Operator
- Deep water exploration
- Hawkeye proves petroleum system
- Follow-up of carbonate prospects and leads to be undertaken

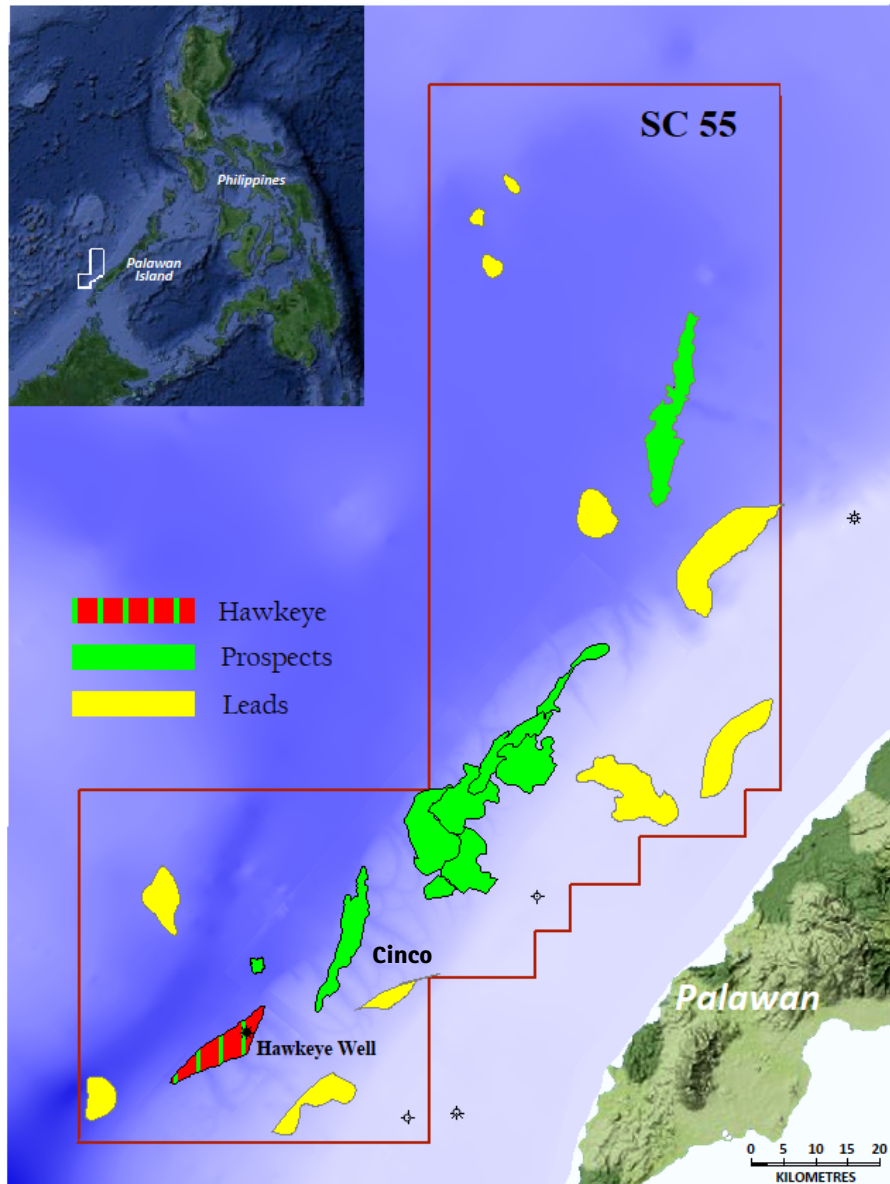
PERTH -
Head Office

Philippines

SC55 (OTTO 78.18% OPERATOR)



Hawkeye Exploration Well – New Petroleum System Identified in SW Palawan



Hawkeye Operations

Well drilled in 19.5 days to 2,920 metres

Total well cost <US\$25 million

Otto fully carried on cost of well

Hawkeye Outcomes

Hydrocarbons (gas and associated liquids) logged between 2,710 and 2,737 metres in reservoir of variable quality

Cuttings returns provide indications of fluorescence – usually an indicator of liquid hydrocarbons

Hydrocarbon limited to the seismic DHI area – volumetrically sub-economic. Other anomalies on trend now likely hydrocarbon related

Impact on Remaining Prospects in SC55

The Hawkeye well has proven a petroleum system exists in the SW Palawan area

The existence of a source kitchen has reduced geological risk of remaining prospects, including Cinco

Next Steps

Hawkeye well results to be incorporated into understanding of remaining prospects in SC55 in coming months.

Numerous already mapped hydrocarbon seeps and DHI's now calibrated by Hawkeye will support ranking of targets

Alaska

ALASKAN NORTH SLOPE
(OTTO 8 – 10.8%, NON-OPERATOR)

Why Alaskan North Slope?

Prolific Basin	The North Slope of Alaska (NSA) contains the two largest conventional oil fields in North America (Prudhoe Bay and Kuparuk River).
Low Sovereign risk	USA is a stable investment country and rated as low sovereign risk.
Attractive Fiscal regime	Low royalty rates of 12.5% to 16.67% and Alaskan state rebates in cash for 35 - 85% of cost of exploration & development activities regardless of exploration result.
Established Oil Infrastructure	Open access to Federally regulated Trans Alaska Pipeline System (TAPS) and all-weather highway through acreage translate to improved economics for developments.
Strategic Petroleum Reserve for Asia	Secure and reliable source of hydrocarbons, for rapidly expanding Asian markets. Alaska is the only U.S.A State authorized to export oil.
Key Players in the North Slope and new discoveries	Super Majors attracted by the large sale oil resources - Shell, Chevron, ExxonMobil, ConocoPhillips, BP and Majors - Anadarko, Repsol, Statoil and ENI are very active in Alaska - Repsol is moving to FID on a series of large new oil discoveries.
Substantial acreage position and resources	Contiguous and large acreage of 558,195 net acres (pre-Borealis farm-in), targeting multi-billion barrels of recoverable oil and multi TCF of gas in numerous geological play types. Oil has already been intersected in a least 4 conventional target zones.
Extensive Proprietary technical data	Great Bear Petroleum has invested over US\$200 million in the acquisition of >1,700 km ² of 3D seismic, geological and geophysical data and the drilling of three wells.
Large scale unconventional upside	Independent expert Netherland Sewell & Associates International, ascribes 3.1 billion barrels of recoverable oil and 10.8 Tcf of recoverable gas (5% recovery factor) of unconventional resources in the farm-in acreage, in addition to conventional plays.

Great Bear Petroleum

Great Bear is a private exploration company focused on exploring and developing conventional and unconventional resources on the North Slope of Alaska. Great Bear is the largest exploration leaseholder on the North Slope, having taken a position in a major play fairway south of the Prudhoe Bay and Kuparuk fields.

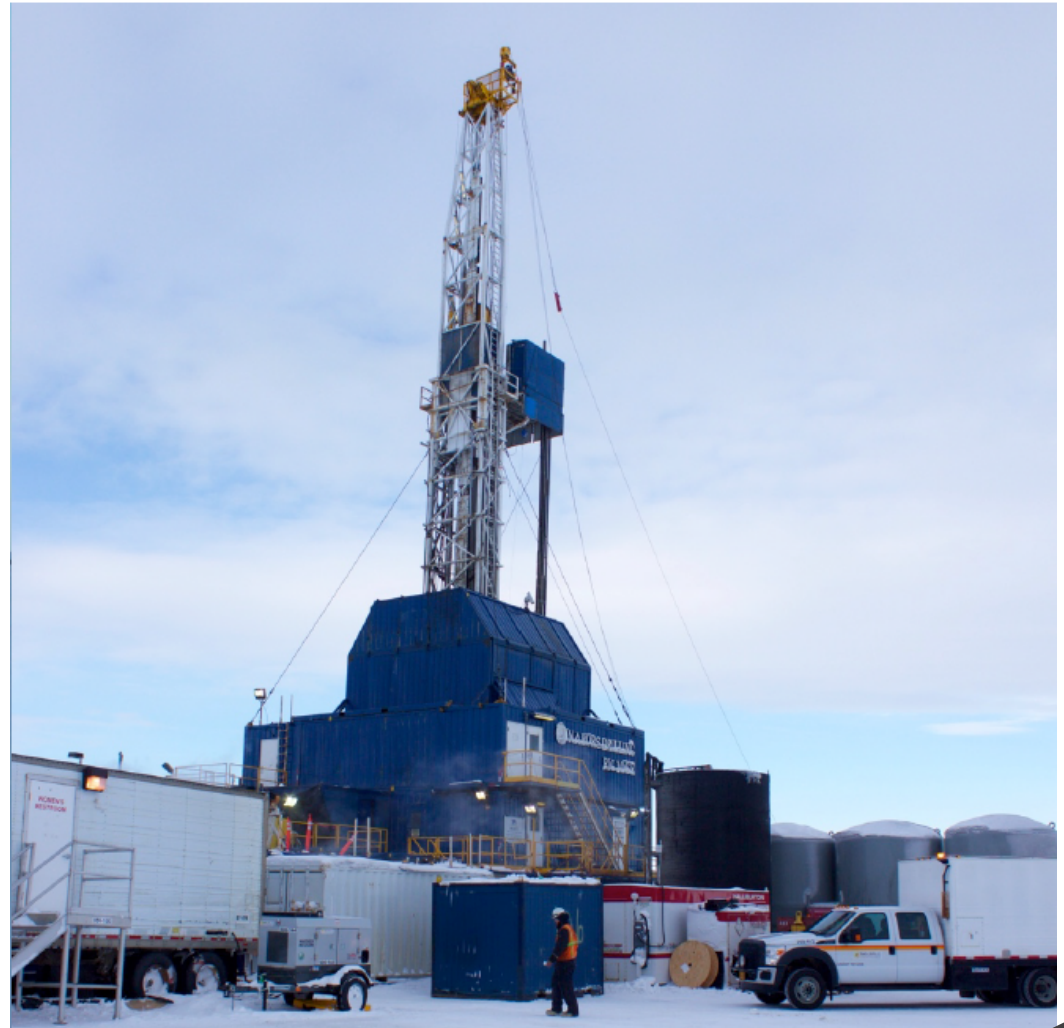
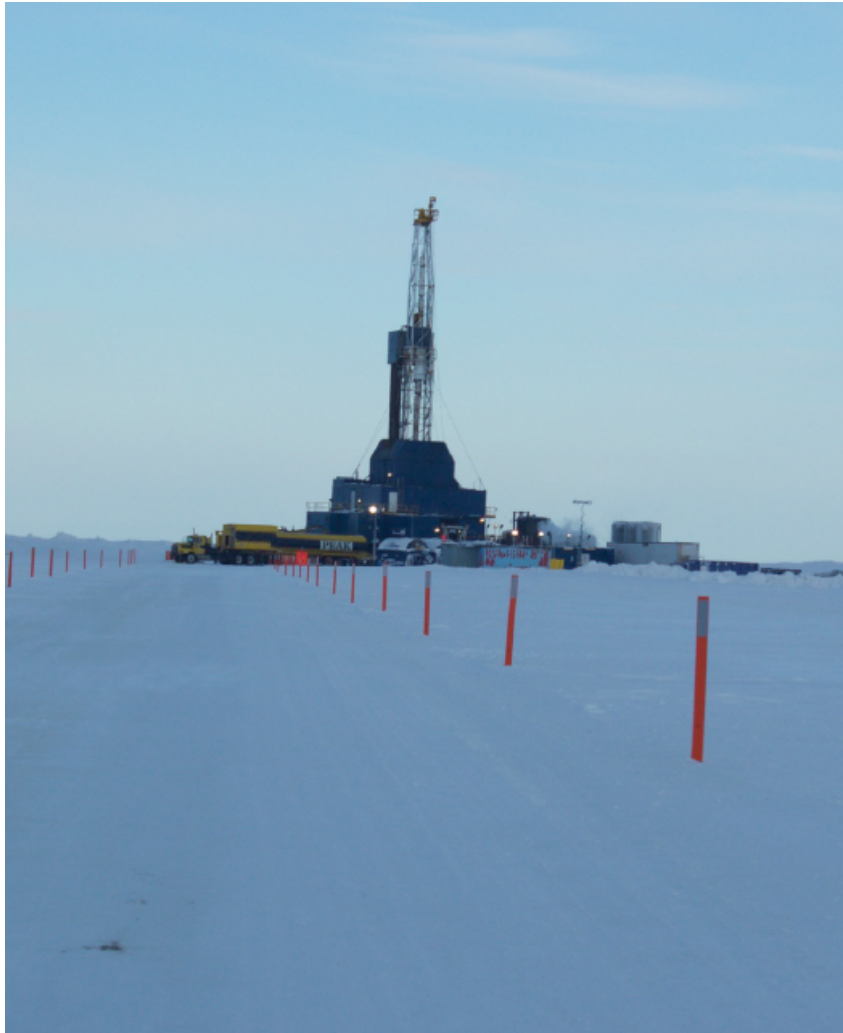
The Great Bear Petroleum management and technical team have significant experience in the Alaskan North Slope and are applying modern technology to unlock the remaining frontier plays in this prolific hydrocarbon region.

Great Bear is the dominant exploration acreage holder in this highly prospective basin; holding 558,195 net acres (pre-Borealis farm-in). Great Bear has undertaken significant exploration work on the acreage since 2011 with a cumulative spend in excess of US\$200 million. This work includes:

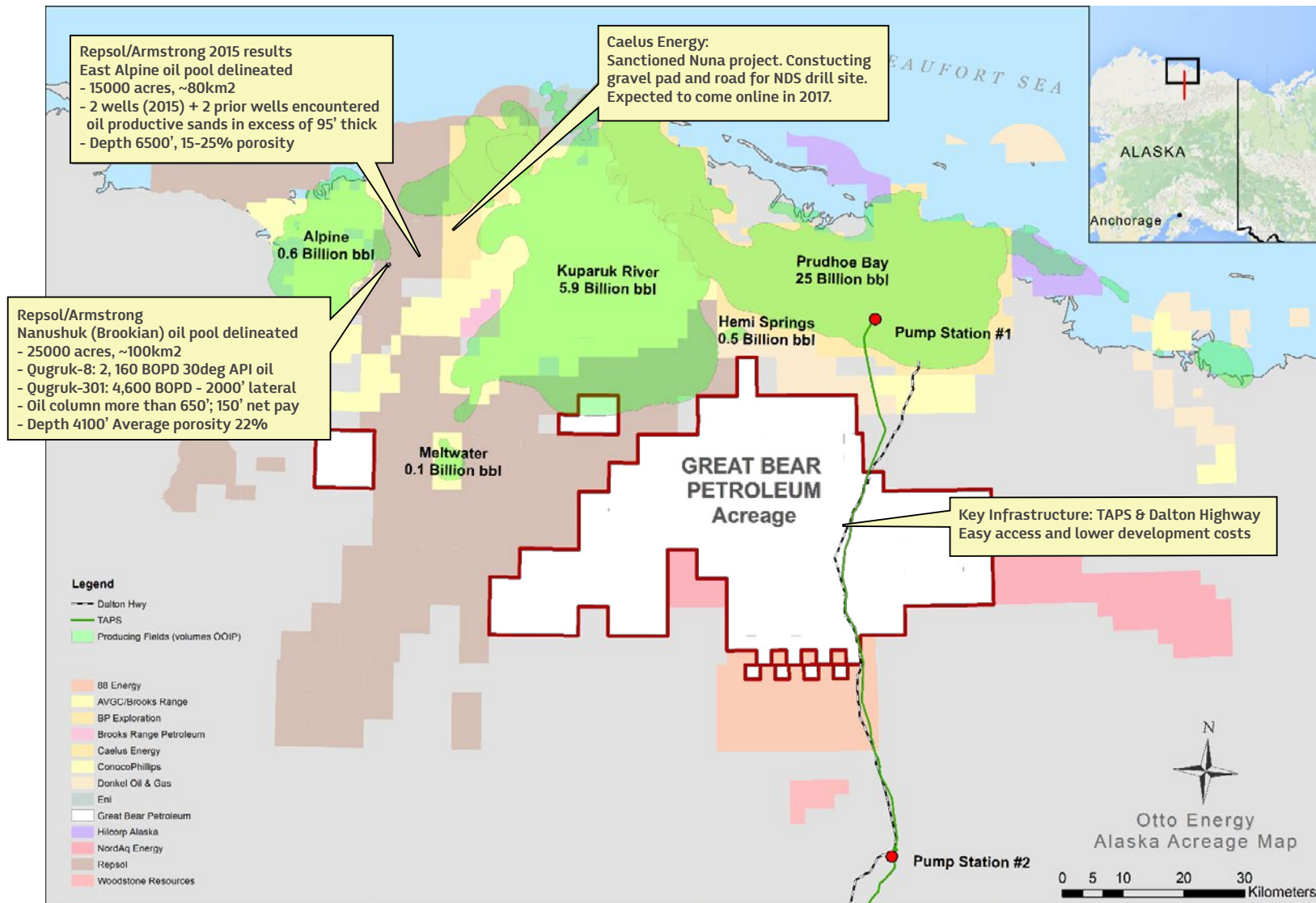
- ◆ Acquisition and processing of approximately 1700km² of 3D seismic data.
- ◆ Drilling of 2 unconventional stratigraphic test wells which cored 3 primary unconventional targets. Results from these wells indicate that the majority of the Great Bear acreage is expected to be liquids rich. These wells also encountered light oil in various conventional formations.
- ◆ Drilling of a conventional exploration well (Alkaid-1) which specifically targeted a 3D defined Brookian reservoir. The Alkaid well results are under evaluation.

The extensive, modern 3D seismic coverage, existing well control and proximity to the all-weather Dalton Highway and TAPS means that the Great Bear joint venture is well positioned to test the numerous play types and prospects located in this acreage.

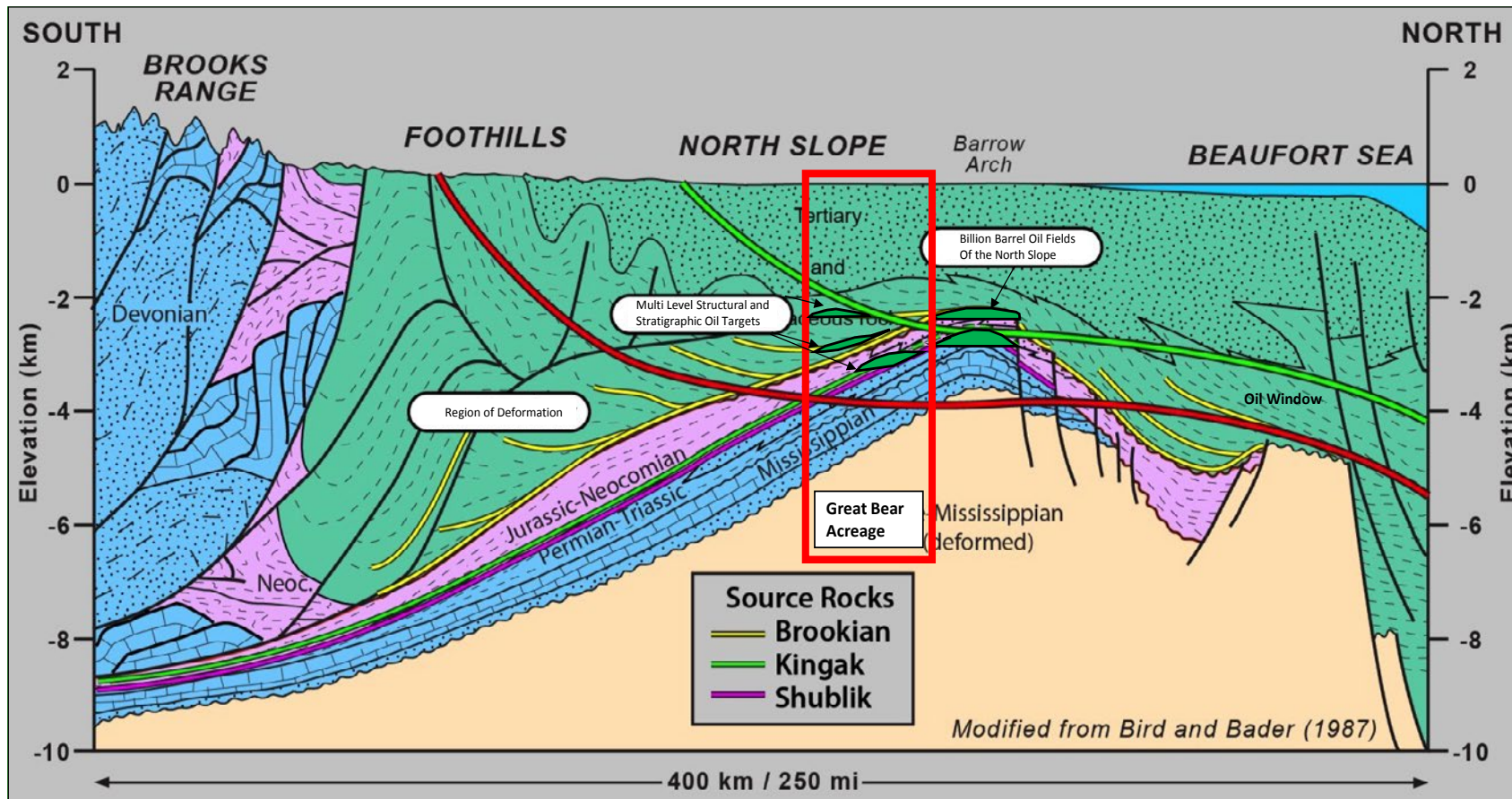
Drilling Operations at Alkaid-1 (March 2015)



Alaskan North Slope is home to some of the largest oil fields in North America...



Great Bear Acreage is in a great address



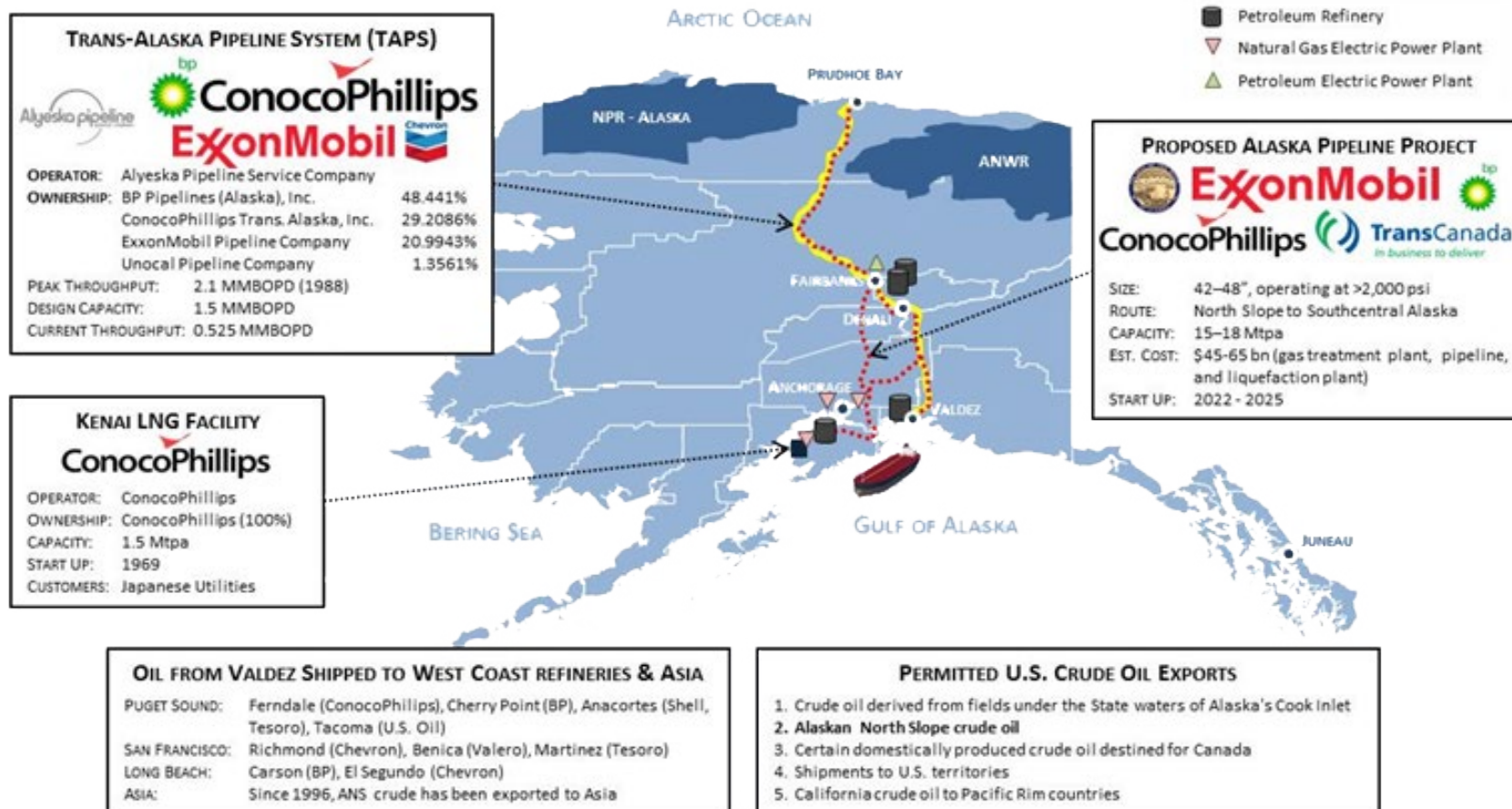
Oil exists in multiple play types on the Alaskan North Slope and has already been discovered within the GBP acreage

The key challenge away from proven production is finding quality reservoir

Operating costs on Alaskan North Slope are high - but the average discovered field size is also large

Established Oil Infrastructure

TAPS provides regulated open access to domestic and international markets, one million barrels per day of spare capacity.



Commercial Deal with Great Bear Petroleum

	OVER ACRES TRANSACTION		OPTION ACRES		COMBINED
Amount	\$20.0mm	Various Stages	\$25mm	Subject to terms	\$45.0mm
Deposit Land	\$0.5mm	Paid	Option over 22,804 gross acres that include the Alkaid-1 well and numerous prospects. Option must be exercised before the testing or spud of an appraisal well (Alkaid or Phecda, whichever shall occur earlier), which is expected to be early 2016		Land Costs \$14.0mm Drilling \$31.0mm
Installment Land	\$6.5mm	Paid			
Final Land	\$7.0mm	Sept 30, 2015			
Drilling Commitment	\$6.0mm	1H 2016			
Acres Net	58,334		1,824		60,149
Per Acre Costs	\$342/acre				\$748/acre
Working Interest	8.0% - 10.8%		8.0%		10.5% average

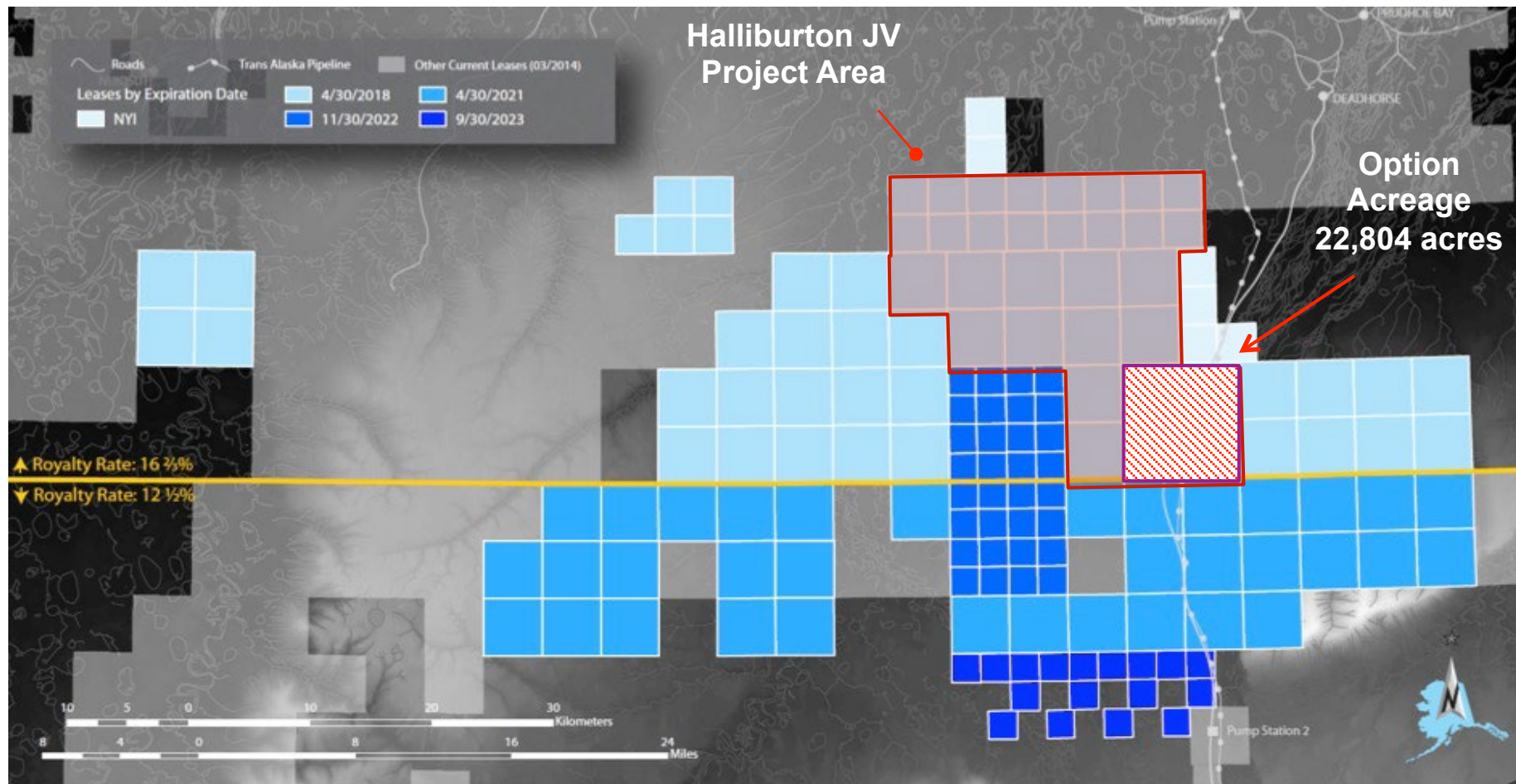
Commercial Deal with Great Bear Petroleum

Over Acres Transaction

HAL JV Area: 8,271 net acres & WI 8.0%
Non HAL JV Area: 50,064 net acres & WI 10.8%

Option Acres

HAL JV Area: 1,824 net acres & WI 8.0%



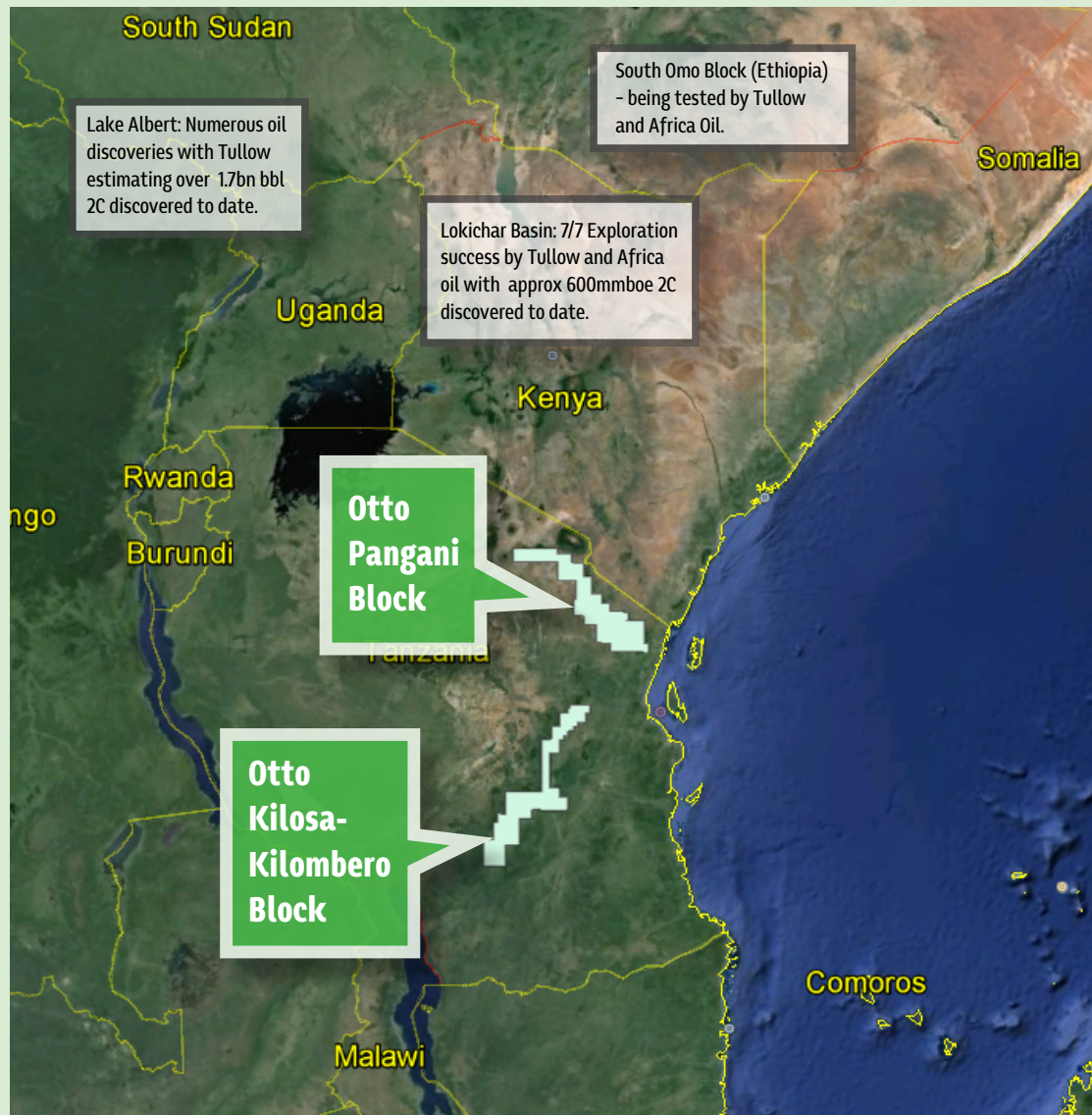


Tanzania

(OTTO 50% WI)

Otto's Tanzania Position targeting East African Rift System Oil Play

EXPLORATION SUCCESS AND OTTO ACREAGE



HISTORY

Pre 2006 No material exploration success

2006 First discovery in Uganda

2008-09 Further discoveries result in >1.5 Bn boe prospective resources in Uganda

2012 First two modern wells in Kenya successful

2013 Three further discoveries in Kenya. Exploration expands into Ethiopia

2014 2 further discoveries in Kenya

RESULTS TO DATE

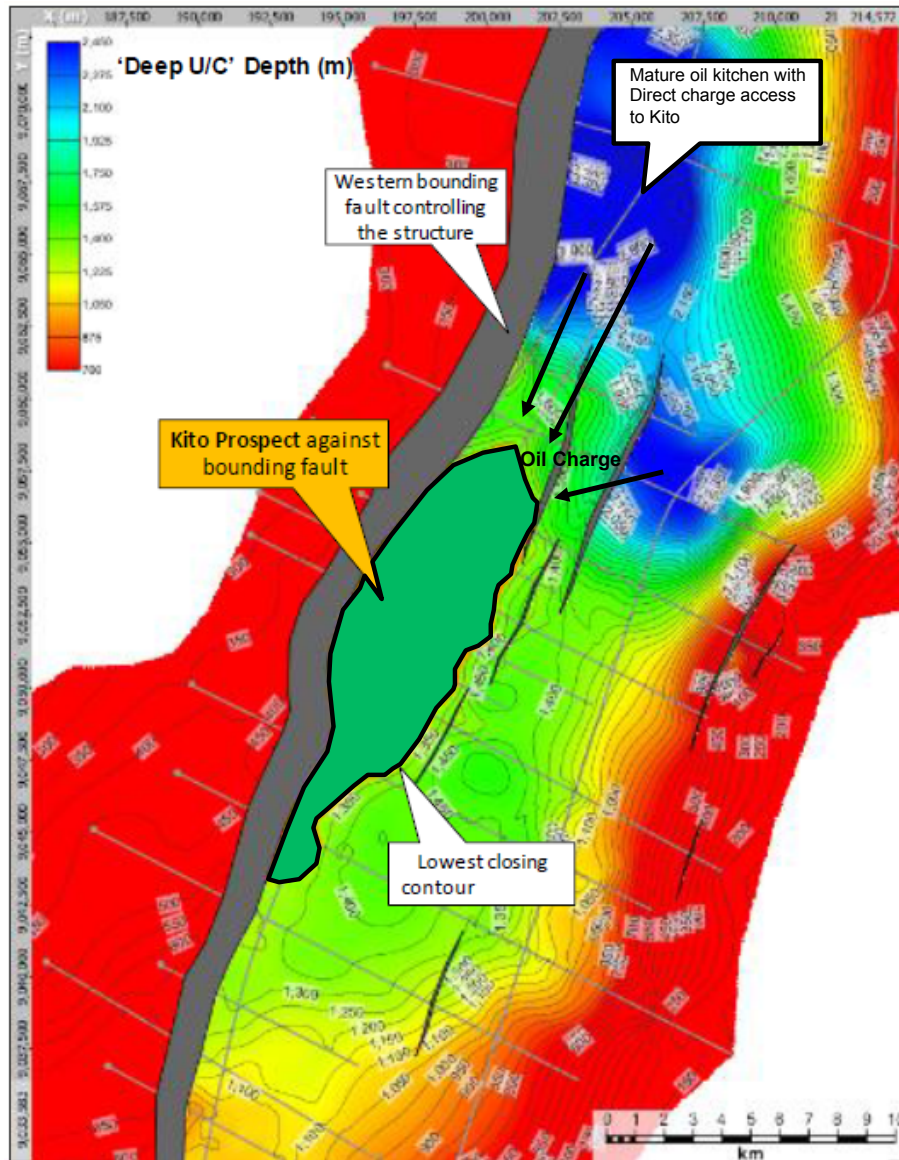
Uganda

- 66/79 successful wells
- 11 Fields
- > 1.5 Bn boe discovered by Tullow and other participants

Kenya

- 7/8 successful wells by Africa Oil and Tullow Joint Venture
- Approx 600mmboe 2C discovered

Tanzania (Otto 50% WI): Kito prospect drilling in 2016



Kito Prospect

Area of Closure	50 km ² Up to 250m column height
Reservoir type	Miocene (Neogene)
Objective Depth	900 - 1,300 metres
STOIIP	193 - 596 - 1,602 MMbbls (Low - Best- High)
Net Prospective Resource (*)	19 - 60 - 170 MMbbls (Low - Best- High) *Represent OTTO 50% WI
Key Risks	Key risks: • Presence of an active petroleum system in the Kilombero Basin
Drilling program	2016 drilling of Kito with expected well costs US\$6-8 million (gross joint venture, dry hole basis)

Note: Updated volumetrics to be developed once probabilistic aggregation of new prospect maps are completed.

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Otto Forward Activity Plan

2015

2016

Alaska	Evaluate GBP Acreage and Entry	3D seismic (~1,700 km ²) Drilling Program (Jan – Apr 2016)
Philippines	Evaluate Hawkeye Results	Potential further activity
Tanzania	Farm-down high working interest	Drilling

Additional Information



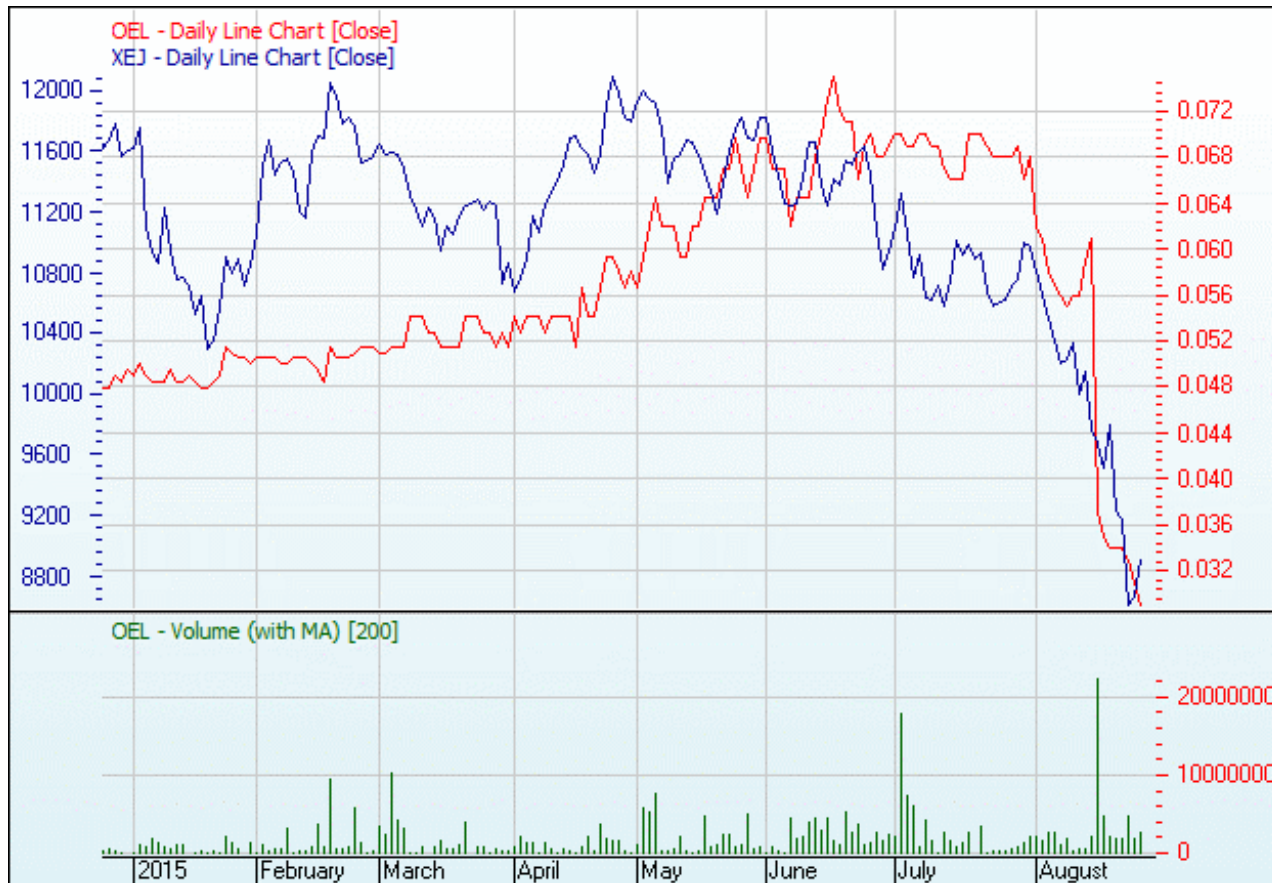
Cashflow Projections

June 2015-Dec 2016



Strong Capital Structure:

Cash backed with fully funded exploration



12 Month Turnover = 32.29% of issued capital
Average daily volume last 12 months = 1.460 million shares/day

Capital Structure

Fully paid ordinary shares	1.18b
Unlisted options ¹	8.0m
Performance Rights	13.775m
Market capitalisation ²	A\$40m
Cash (Jun 2015)	US\$41.2m
Debt (Jun 2015)	US\$0m

Shareholders

Molton Holdings	20.8%
Santo Holdings	20.8%
Acorn Capital	5.9%
Directors & Management	4.3%
Shareholders	3,933

Note: ¹ Exercisable at 5.49 cents per share.
² Undiluted at 3.4 cents per share as at 1 September 2015

Experienced Board & Management Team

Board of Directors



Rick Crabb – Chairman

BJuris (Hons), LLB, MBA

Former energy, resources and corporate lawyer with over 25 years Australian and international experience. Chairman of Paladin Energy.



John Jetter – Non-Executive Director

LLB, BEc INSEAD

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



Ian Boserio – Non-Executive Director

BSc (Hons)

Former executive positions with Shell & Woodside in exploration roles.



Ian MacIver – Non-Executive Director

BComm, CA, FFin, FAICD

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



Rufino Bomasang – Non-Executive Director

BSc, MBE

Former President/CEO and current Non-Executive Director of PNOC-EC. Former Undersecretary of Energy for Philippines DOE.

Senior Management



Matthew Allen – Managing Director & CEO

BBus, FCA, FFin, GAICD

Global exposure to the upstream oil and gas industry with 15 years experience in Asia, Africa, Australia and Middle East. Previous senior roles with Woodside over 9 year period. Previously held the role of CFO of Otto Energy.



Paul Senyia – Vice President, Exploration and New Ventures

BSc (Hons), MAppSc

International oil & gas experience gained over 30 years. Specific focus on Australia, South East Asia & Africa. Previous roles at Oilex (Exploration Manager), Woodside Energy (Head of Evaluation) and Shell International.



Craig Hasson – Chief Financial Officer

BCom, CA, AGIA

Chartered Accountant with over 12 years experience in resources in Australia, Europe and Africa. Previous roles at Cairn Energy, Dragon Mining, Resolute Mining and Ernst & Young.



Matthew Worner – Commercial Manager

BBus, LLB

Commercial lawyer with experience in international oil and gas venture acquisitions, government and JV liaison and commercial transactions across Africa, Australia and Asia. Previous roles at Pura Vida, Rialto and Tap Oil, Steinepreis Paganin and Phillips Fox.

Further Information

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