

1 October 2015

Manager of Company Announcements
ASX Limited
Level 6, 20 Bridge Street
SYDNEY NSW 2000

By E-Lodgement

US\$21.3 million Hawkeye-1 drilling contribution received from BHP Billiton

Otto Energy Limited (ASX:OEL) ("Otto") is pleased to announce that it has received US\$21.3 million due from BHP Billiton Petroleum in respect of the recently completed Hawkeye-1 drilling operations offshore the Philippines.

The initial payment represents the bulk of the contribution by BHP Billiton of up to US\$24.5 million towards the cost of the Hawkeye-1 well. The final payment will be received in Q4 2015 once the total well cost is confirmed.

Otto's Managing Director, Matthew Allen said: "Completion of the Hawkeye drilling operations ahead of schedule and below budget has left Otto with a very strong balance sheet. Otto currently has over US\$30 million in available funds to pursue our growth strategy, this represents over A\$0.04 per share in cash backing. The amounts referenced above include the recent final payment of US\$7 million to Great Bear Petroleum.

Otto has secured an attractive entry into the prolific Alaskan North Slope oil province which gives Otto shareholders the opportunity to participate in a material exploration and appraisal program in the forthcoming two winter operational seasons. Otto also has a fully funded exploration drilling program in Tanzania in 2016, including the drilling of the exciting Kito prospect."

~Ends~

OTTO AT A GLANCE

- ASX-listed oil and gas company with a strategy to grow an integrated petroleum business through high impact exploration
- Focused on conventional oil plays in proven petroleum provinces
- Formerly Operator of the producing Galoc oil field in the Philippines

COMPANY OFFICERS

| | |
|-----------------|-------------------|
| Rick Crabb | Chairman |
| Matthew Allen | MD/CEO |
| Ian MacIver | Director |
| Rufino Bomasang | Director |
| John Jetter | Director |
| Ian Boserio | Director |
| Craig Hasson | CFO |
| Neil Hackett | Company Secretary |

www.ottoenergy.com

Contact:
Matthew Allen
Managing Director and CEO
+61 8 6467 8800
info@ottoenergy.com

Media:
Matthew Gerber
Citadel-MAGNUS
+61 2 8234 0113
mgerber@citadelmagnus.com