

15 February 2010

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

By E-Lodgement

DRILLING PROGRAM - PHASE 2 TURKEY

Otto Energy Limited (ASX: OEL) provides an update on its Phase 2 exploration drilling program in the Edirne Licence, Turkey. The Phase 2 drilling program incorporates up to seven exploration and appraisal wells, which includes the previously advised Kumluk and Kartal wells.

Well	Target	Working Interest	Proposed Total Depth	Remarks
Kumluk-1	Gas	35.00%	550m	Gas discovery
Kartal-1	Gas	35.00%	500m	Gas discovery
Yolboyu-1	Gas	35.00%	2,000m	Exploration
Somurcali-1	Gas	35.00%	900m	Exploration
Ortakci-2	Gas	35.00%	400m	Exploration
Bademlik-1	Gas	35.00%	400m	Exploration
Ortakci-3	Gas	35.00%	400m	Appraisal

The program is targeting additional gas volumes which can be commercialised through the Edirne Gas Plant. Each of the wells, with the exception of Yolboyu-1, is targeting modest volumes and are being drilled within the extensive 3D seismic that has been acquired within the Edirne licence.

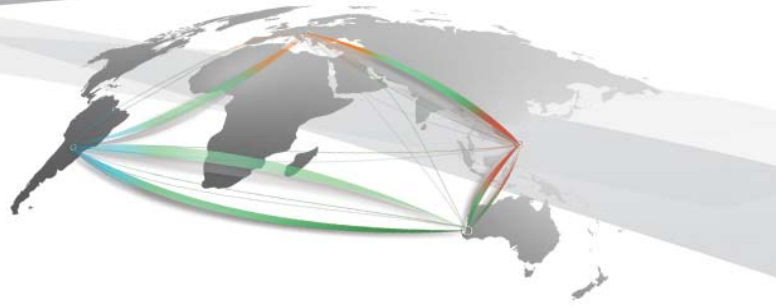
The third well in the drilling program, the Yolboyu-1 well spudded on 12 February 2010. The Yolboyu-1 well differs from the previously drilled wells in the permit. It is a step-out and deeper prospect covered by existing 2D seismic only and as such is higher risk but has a potential of up to 7.00 Bcf. The prospect, if successful, will require additional infrastructure to enable it to be brought into production including consideration of expansion of the Edirne Gas Plant.

OTTO AT A GLANCE

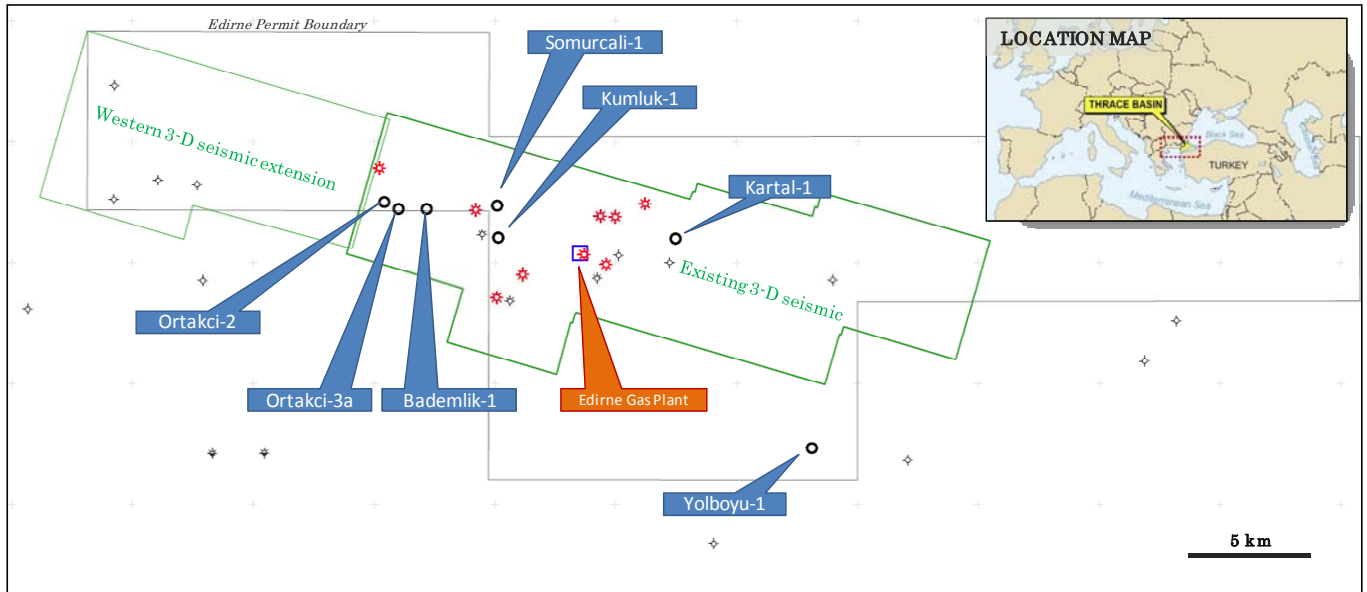
- ASX-listed oil and gas company with significant growth potential.
- Production from Galoc Oil Field provides cash flow.
- Development of gas field in Turkey to become second revenue-generating asset.
- Opportunity rich with substantial exploration prospects and leads in portfolio.

COMPANY OFFICERS

Rick Crabb	Chairman
Jaap Poll	Director
Ian Macliver	Director
Rufino Bomasang	Director
John Jetter	Director
Paul Moore	CEO
Matthew Allen	CFO
Emma McCormack	Company Secretary



Phase 2 Drilling Locations, Edirne Licence, Turkey



Yours faithfully

Paul Moore
Chief Executive Officer

Contact:

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