

30 January 2014

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

By E-Lodgement

ASX ANNOUNCEMENT – INVESTOR PRESENTATION

Please find attached a presentation by Gregor McNab to be provided to investors on Thursday 30th and Friday 31st January 2014.

Yours faithfully

Gregor McNab
Chief Executive Officer

OTTO AT A GLANCE

- ASX-listed oil and gas company with a strategy to grow its integrated oil and gas business across exploration, development and production
- Focused on South East Asia and East Africa
- Operator of the producing Galoc oil field in the Philippines, which provides cashflow
- Opportunity rich with substantial exploration prospects and leads

COMPANY OFFICERS

Rick Crabb	Chairman
Ian Macliver	Director
Rufino Bomasang	Director
John Jetter	Director
Ian Boserio	Director
Gregor McNab	CEO
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ASX : OEL



Otto Energy
Investor Presentation
30 January 2014

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This presentation contains forward-looking statements that are not based on historical fact, including those identified by the use of forward-looking terminology such as statements containing the words “believes”, “may”, “will”, “estimates”, “continue”, “anticipates”, “intends”, “expects”, “should”, or the negatives thereof and words of similar import.

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The Company makes no representation, warranty (express or implied), or assurance as to the completeness or accuracy of these projections and, accordingly, expresses no opinion or any other form of assurance regarding them. Management does not intend to publish updates or revisions of any forward-looking statements included in this document to reflect the Company’s circumstances after the date hereof or to reflect subsequent market analysis.

The hydrocarbon reserve and resource estimates are based on information compiled by Mr Nick Pink.

Mr Pink has more than 14 years of relevant experience and is qualified in accordance with ASX Listing Rule 5.11. Mr Pink is a full time employee of Otto Energy as its Senior Reservoir Engineer and has consented to the inclusion in the presentation of the information in the form and context in which it appears.

Company Overview: Investment Rationale



1

Strategy: Focus on conventional hydrocarbon exploration and production within South East Asia and the East Africa Rift System (“EARS”).

2

Production: Galoc Phase II development finished in Q4 13 – production to >4,000 bopd plus 4.3mboe 2P reserves¹ (both net to Otto). Expect delivery of 10 cargos in 2014 (100,000 bbl per cargo net Otto).

3

Philippines Exploration: 93.18% WI in high impact deep water exploration in SC55. 2 drillable targets identified with farm-in process underway. US\$27.5m of committed funding from BHP Billiton.²

4

East Africa Rift System: 50% WI in two onshore blocks in Tanzania in emerging hydrocarbon province. First prospect identified from 2D seismic. Further leads being assessed. Focus of new business growth.

5

Strong capital structure: Cashflow from Galoc and demonstrated financial discipline.

6

Proven management delivery: Demonstrated track record in operations and commercial deal capture.

Note: ¹ Reserves as at January 2013. Updated reserve report to be published for 31 December 2013

² Executed documents defining BHPB's terms of withdrawal from SC55. BHPB will re-assign its 60% interest and all future rights to Otto - Otto will retain 93.18% working interest. BHPB pays Otto US\$3mm when DOE approves the assignment – further US\$24.5mm payable upon drilling of first exploration well in SC55.

Clear Regional Focus: Material Progress in Philippines and Tanzania

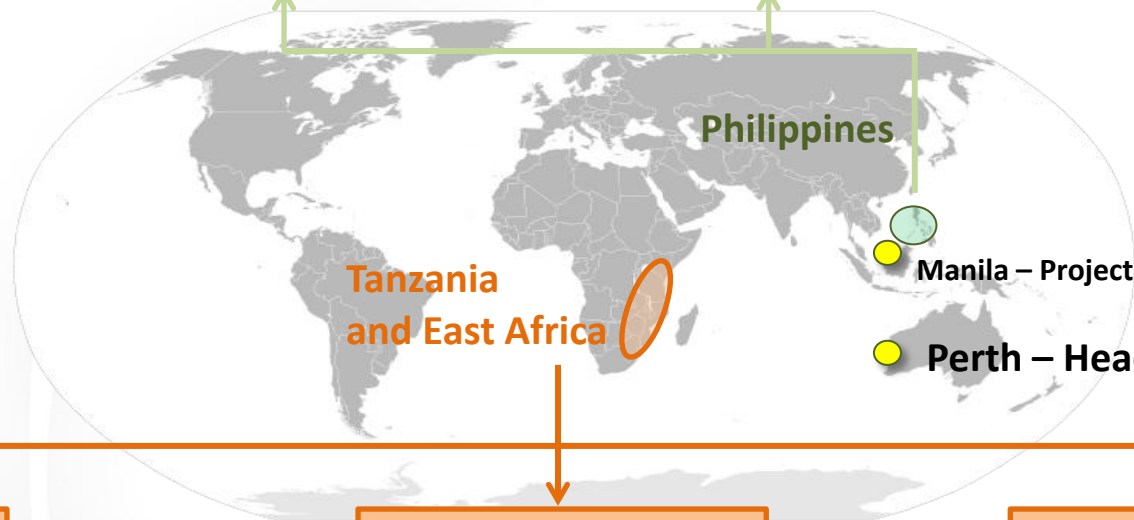


SC14C (Galoc Field)

- 33% WI and operator
- Completed Phase II Dec 13
- >4,000 bopd production and 4.3mboe reserves (both net Otto. Reserves as at Jan 13)¹

SC55 (Hawkeye/Cinco)

- 93.18% WI and operator²
- 2 drill ready prospects with Cinco & Hawkeye
- US\$27.5m funding by BHPB
- Farm-out underway for 2014



Philippines

Tanzania and East Africa

Manila – Project office

Perth – Head Office

Kilosa-Kilombero

- 50% WI in 17,675 km² block
- Focus on evaluating East Africa Rift System
- Early 2D seismic identified the significant Kito prospect

Pangani

- 50% WI in 17,156 km² block
- Focus on evaluating East Africa Rift System
- Initial 2D seismic completed
- Neogene basins identified

Growth Focus

- Otto may acquire new acreage in EARS in Tanzania or other East African countries

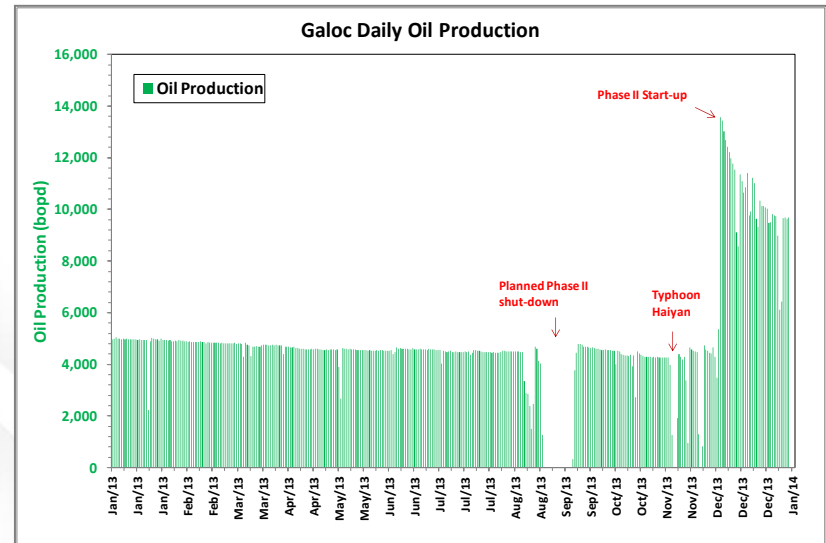
Note: ¹ Updated reserve report to be published for 31 December 2013

² Executed documentation with BHPB on terms of withdrawal from SC55. BHPB re-assigns its 60% interest and all future rights to Otto - Otto will retain 93.18% working interest. BHPB pays Otto US\$3mm when DOE approves the assignment – further US\$24.5mm payable upon drilling of first exploration well in SC55.

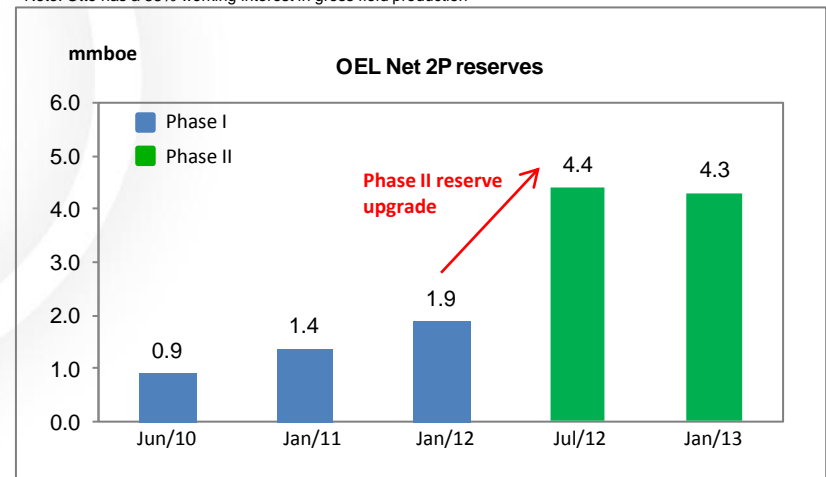
SC14C Galoc Field (Otto 33% Operator): Reliable Production and Reserves Growth



- Reliable production operations since successful FPSO & mooring upgrade in early 2012 - >98% uptime & immediate restart post Super Typhoon Haiyan
- Recent successful delivery of Phase II scope by Otto as operator increased production 3 fold to >4,000 BOPD (net Otto)
- 4.3mmboe 2P reserves (net Otto) as at January 2013 for Phase I and II
- Otto Phase II capital investment funded from revenue/low cost debt
- Field life extended out to ~2020
- Marketable product: 35° API oil, low sulphur crude easily placed into Asian market priced against Dubai benchmark plus premium



Note: Otto has a 33% working interest in gross field production



Note: Reserves net to Otto at time of reserve report. Updated reserve report to be published for 31 December 2013

SC55 (Otto 93.18% Operator): High Impact and Drill Ready Prospects



SC55 Permit Status

- Otto currently re-acquiring 60% WI due to BHPB decision to exit Philippines¹
- Will result in Otto with 93.18% interest
- Current contract expires with a commitment to drill 1 exploration well by ~ October 2014.²

Exploration and Drill Targets

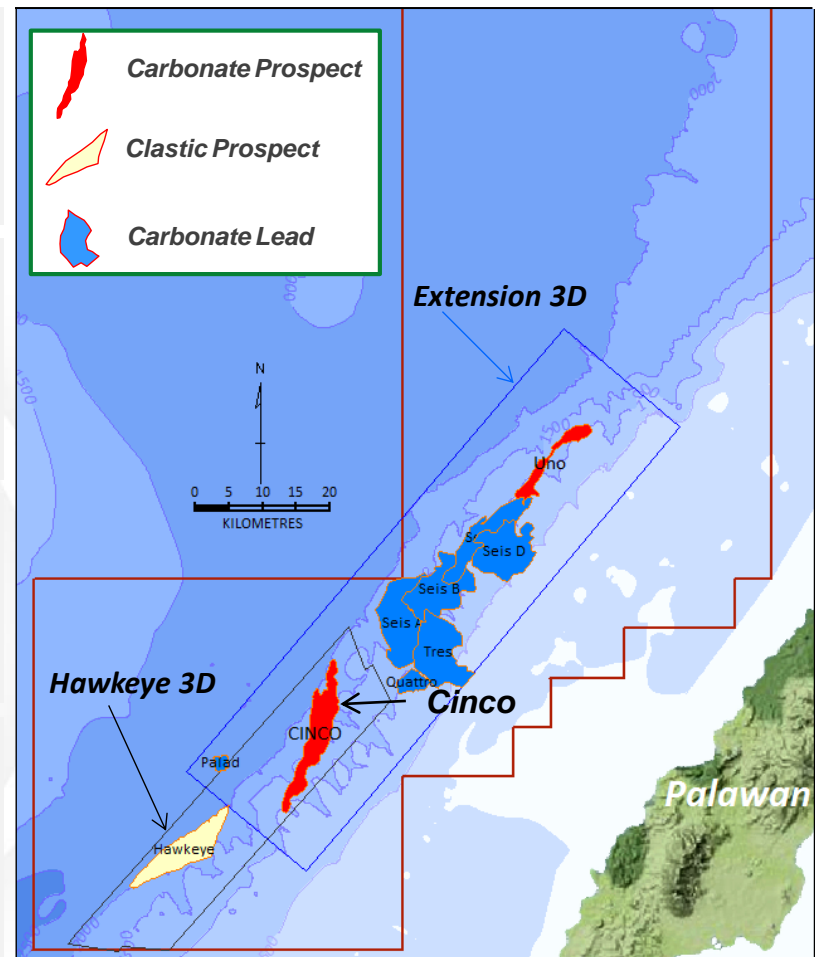
- No wells have yet been drilled
- Drill ready, high impact prospects have been defined by 3D seismic. Net prospective resources are:
 - Hawkeye (15-318 mmbobe oil target)³
 - Cinco (0.5-3.4 TCF gas target)³

Funding of Exploration Drilling

- US\$27.5m secured from BHPB for exploration drilling¹
- Farm-out process underway to manage portfolio and financial risk exposure

Next Steps

- Secure DOE approvals for reassignment of operatorship
- Secure farm-in partner
- Seek DOE approvals for time extension
- Execute drilling program



Note:

¹ Executed documents defining BHPB's terms of withdrawal from SC55. BHPB will re-assign its 60% interest and all future rights to Otto - Otto will retain 93.18% working interest. BHPB pays Otto US\$3mm when DOE approves the assignment – further US\$24.5mm payable upon drilling of first exploration well in SC55.

² Subject to Philippines DOE acknowledgement; ³ Represent Otto 93.18% net working interest in prospective resources

Tanzania (Otto 50% WI):

Otto Tanzania Position Material First Step



History

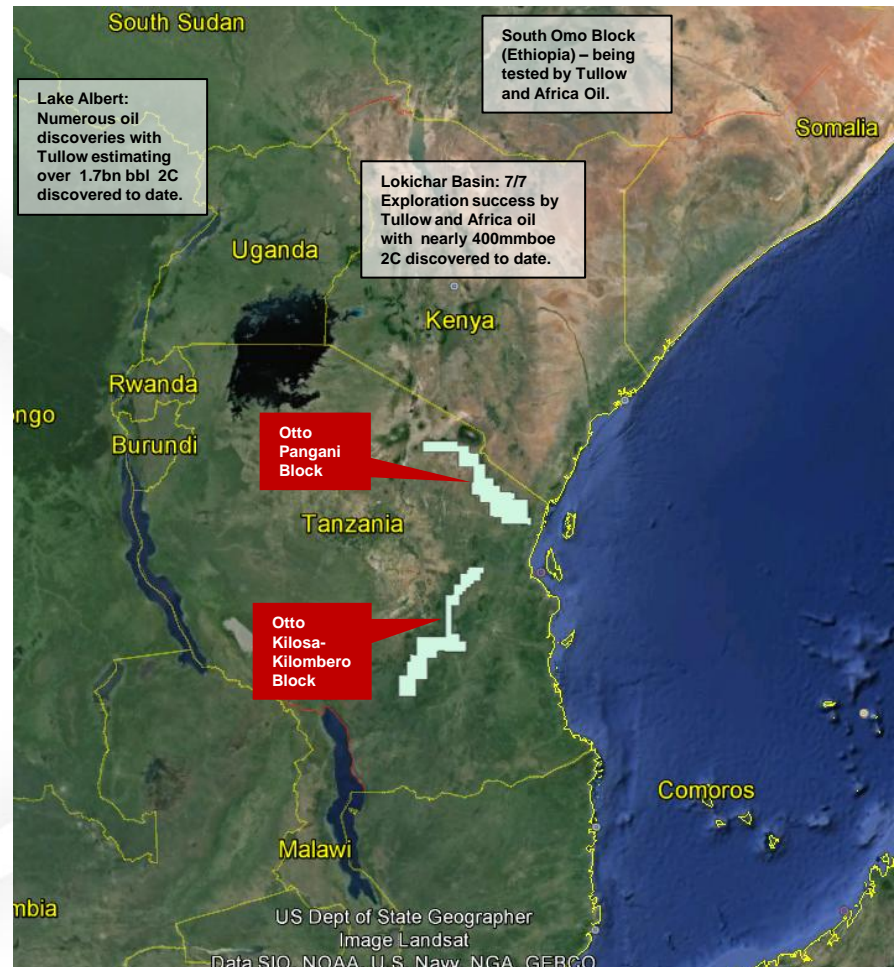
- Pre 1970's - No material exploration
- 1980 - 90's - Limited unsuccessful exploration in Tanzania and Kenya. Loperot-1 minor oil discovery
- 1995 - 05 - No material activity
- 2006 - First discovery in Uganda
- 2008 - 09 - Further discoveries result in >1.5 Bn boe prospective resources in Uganda
- 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
- Kenya - 7/7 successful wells
- Approx 400mboe 2C discovered

Source:
Tullow Uganda Country Report (2013); Africa Oil Presentation (January 2014)

Exploration success and Otto acreage



Tanzania (Otto 50% WI):

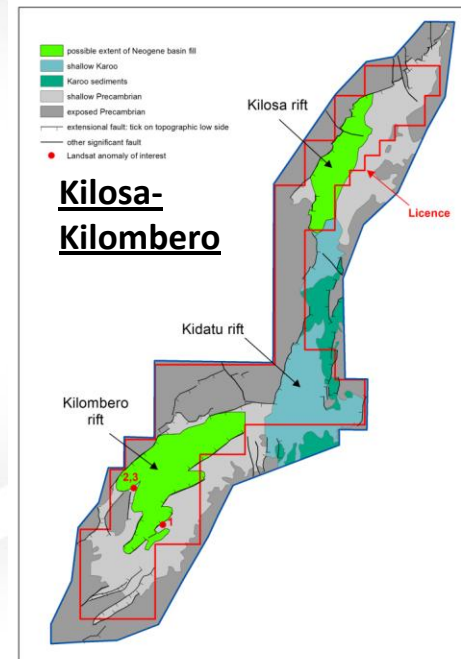
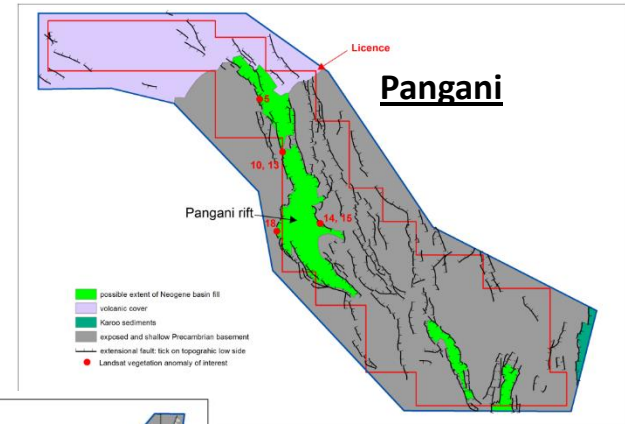
High WI in permits covering prospective basins



Work completed to date has provided encouraging results

- 2012: Completed airborne gravity, magnetic surveying and sampling over Kilosa-Kilombero and Pangani – **five potential basin areas identified**
- 2013: Completed seismic over the three Kilosa-Kilombero basins and two Pangani basins
 - **Kilombero**: Neogene basin defined, Kito prospect identified, potential for further targets indicated.
 - **Pangani**: Two Neogene basins identified. Moshi basin identified as being of larger lateral and vertical extent. No drillable prospect identified yet
- 2014: Next steps include maturing Kito to drill stage, completing further FTG and/or seismic over Kilombero and Pangani and identifying a drillable prospect in Pangani

Block	Otto (WI %)	JVP	Size (km ²)
Kilosa-Kilombero	50%	Swala Oil and Gas (Tanzania) Limited: (operator) 50%	17,675
Pangani	50%		17,156



Tanzania (Otto 50% WI):

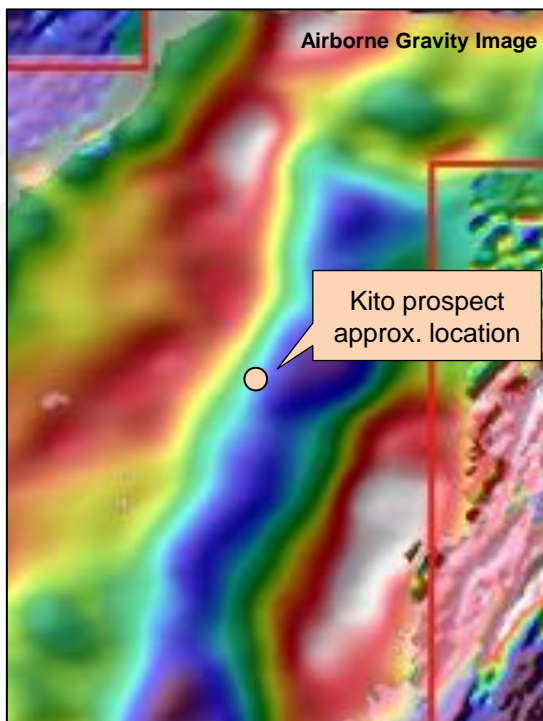
Seismic indicates Kilombero Basin is analogous to the Lokichar Basin in Kenya



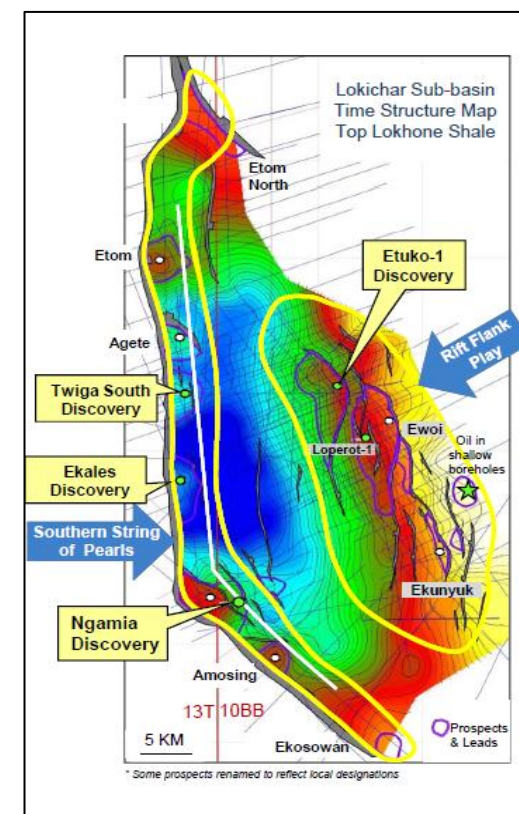
Kilombero Basin appears analogous to the Lokichar Basin in Kenya

- Kilombero interpreted as Neogene-age basin with a depth to basement in excess of 3,000m
- Comparison with Lokichar Basin identifies similar:
 1. Depositional geometries within the basins
 2. Potential trapping geometries, basin size and depth
 3. Interpreted sediment age

Tanzania: Kilombero Basin



Kenya: Lokichar Basin and exploration status



Source: Africa Oil

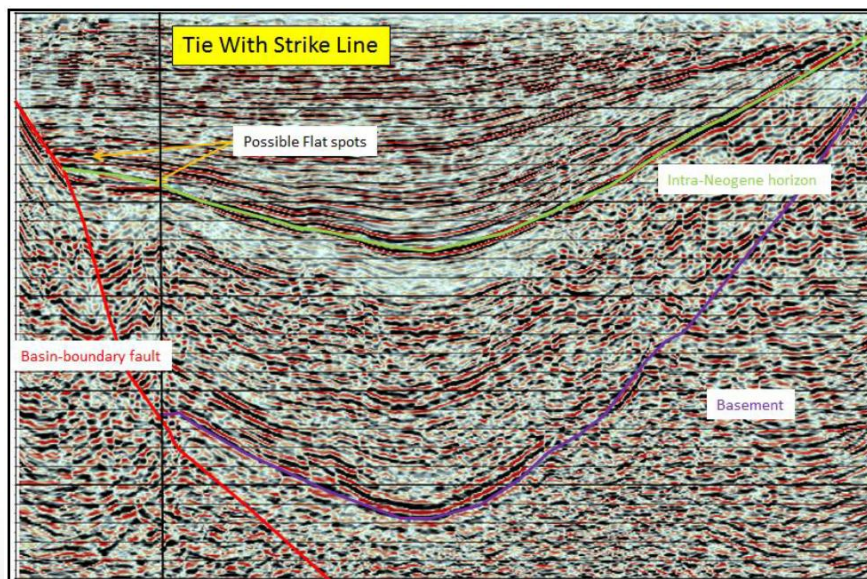
Basin Comparison at approximately the same scale

Tanzania (Otto 50% WI):

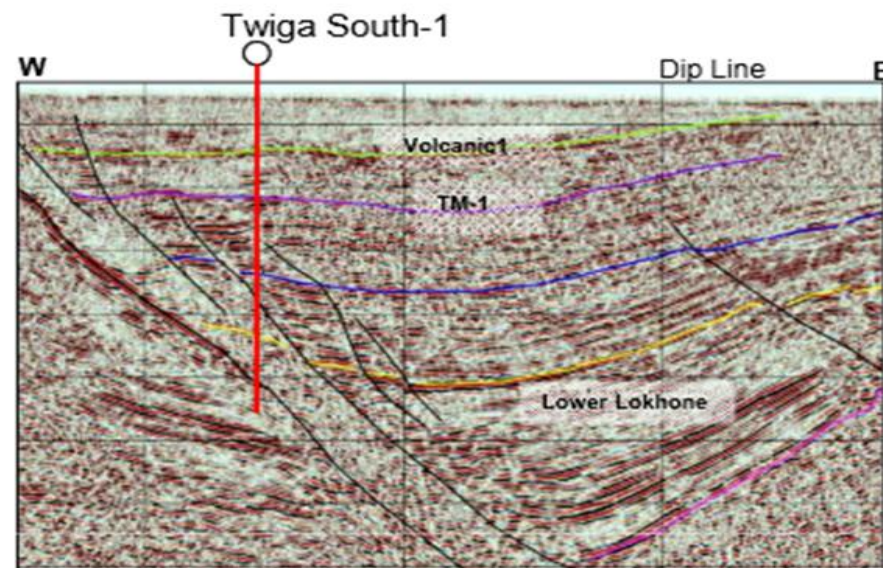
Kilombero Basin exhibits structural and depositional geometries similar to those in the Lokichar Basin



Tanzania: Kilombero Basin



Kenya: Lokichar Basin



Source: Africa Oil

The proven play trend in the Lokichar Basin, Kenya, demonstrates large structural highs with multiple stacked pay zones adjacent to the basin bounding fault. Initial 2D seismic in the Kilombero Basin indicates that the Kito prospect is analogous to these style of discoveries.

This is demonstrated in the above seismic lines shown through the Kilombero Basin and Lokichar Basin

Strong Capital Structure: Value underpinned by Reserves



Capital Structure

Fully paid ordinary shares	1.14b
Unlisted options ¹	11.75m
Performance Rights	30.50m
Market capitalisation ²	A\$111m
Cash (Dec 2013)	US\$16.1m
Undrawn Debt (Dec 2013) ³	US\$0.0m

Shareholders

Molton Holdings	21.1%
Santo Holdings	21.1%
Acorn Capital	7.6%
Directors & Management	4.5%
Shareholders	2,968

Net Reserves

Summary (January 2013) ⁴	mboe
Galoc 2P	4.3

1. Exercisable at prices between 12 and 12.5 cents per share.
2. Undiluted at 9.7cents per share as at 15 January 2013
3. US\$35.923mm BNP Paribas Project Finance Facility fully drawn
4. Updated reserve report to be published for 31 December 2013

- Stable cash flow from Galoc and financial discipline are key differentiators to competitors
- Cashflow can be reinvested into high impact exploration
- Asset debt used for Galoc Phase II development. No corporate debt



12 Month Turnover = 24.95% of issued capital
Average daily volume last 12 months = 1.121 million shares/day

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 Macliver – Non-Executive Director.
BComm,CA,FFin, MAICD

Managing Director Grange Consulting. Non-Executive Director of Western Areas and Select Exploration.



Rufino Bomasang – Non-Executive Director.
BSc, MBE

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

Senior Management



Gregor McNab – Chief Executive Officer.
BSc (Hons)

Oil & gas experience gained over 30 years, based in Europe, Asia, North America & Australia. Former senior executive roles during 22 year career with BHP Billiton Petroleum. Early career roles with Shell & Bechtel.



Matthew Allen – Chief Financial Officer.
BBus, FCA, FFin, GAICD

Finance & accounting experience gained over 20 years, based in Australia & Middle East. Former senior roles with Woodside over 9 year period.



Paul Senycia – Exploration Manager
BSc (Hons), MAppSc

Oil & gas experience gained over 30 years. Experienced geoscientist with specific focus on Australia, South East Asia & Africa. Former senior roles over 17 year career with Woodside & Shell.

Investment Summary



Credible Strategy

- Conventional hydrocarbon exploration and production
- Clear geographical focus – South East Asia and EARS
- Pursue early stage exploration in quality basins – deliver value through the life-cycle

Philippines (Oil Production)

- Cashflow generation from Galoc oil field a key enabler
- Completion of Galoc Phase II – expect to deliver 10 cargos (~100k bbl net Otto per cargo) in 2014
- Reserves of 2P 4.3mboe¹ as at January 2013 (net Otto) – represents strong foundation for valuation

Philippines (Exploration)

- High impact exploration in SC55 – 2 drill ready targets with Hawkeye and Cinco
- US\$27.5m funding from BHP Billiton (BHPB) for Otto to drill first exploration well in SC55²
- Seeking new farm-in partner to participate in drilling in SC55

East Africa Rift System (Exploration)

- Kilosa-Kilombero and Pangani blocks in Tanzania have material exposure to EARS
- Kilombero Basin shares similar attributes to the Lokichar Basin in Kenya where nearly 400mboe 2C resource has been discovered
- 2D seismic on the Kilombero Basin has identified the Kito prospect which will be matured for drilling

Strong Capital Structure

- Stable cash flow from Galoc and financial discipline are key differentiators to competitors
- Cashflow can be reinvested into high impact exploration
- Project finance debt used for Galoc Phase II development – no corporate debt

Experienced Management Team

- Experienced management team with proven exploration and operational expertise
- Key leadership group has two-to-four year record with Otto and delivered critical business outcomes
- Successful completion of Galoc Phase II and early entry into East Africa demonstrates ability to execute both complex operations and capture corporate transactions

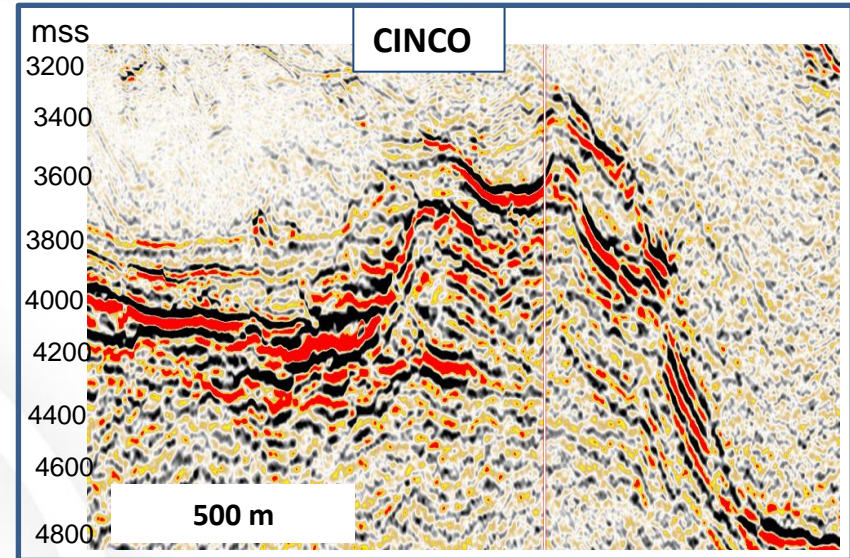
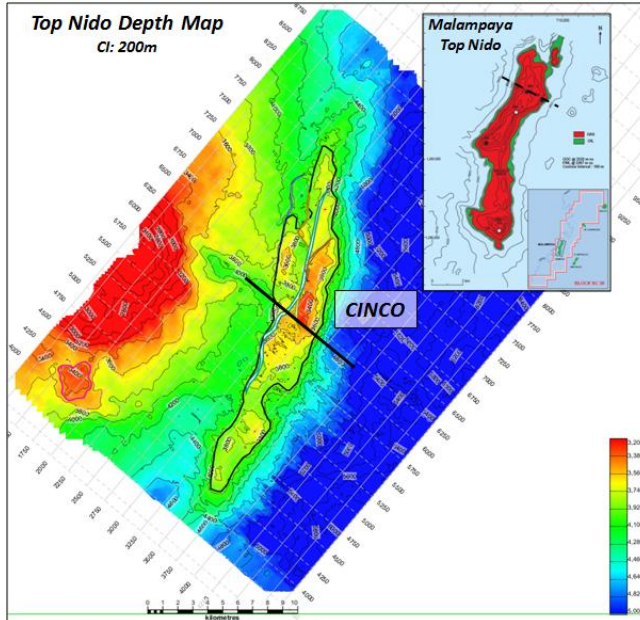
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Additional Information

Philippines Exploration: SC55 – Cinco Prospect

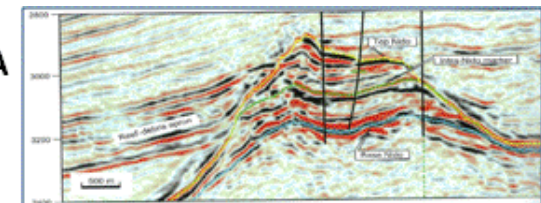


Cinco Prospect

Area of Closure	53 km ² Up to 500m column height
Water Depth	1,430 metres
Objective Depth	3,120 – 4,500 metres
GIIP	0.9 – 2.4 – 6.3 Tscf ((Low – Best- High)
Net Prospective Resource (*)	0.5 - 1.3 - 3.4 Tscf gas, plus (Low – Best- High) 16 - 45 - 132 MMbbls condensate (Low – Best- High) *Represent OTTO 93.18% WI

MALAMPAYA

Same scale

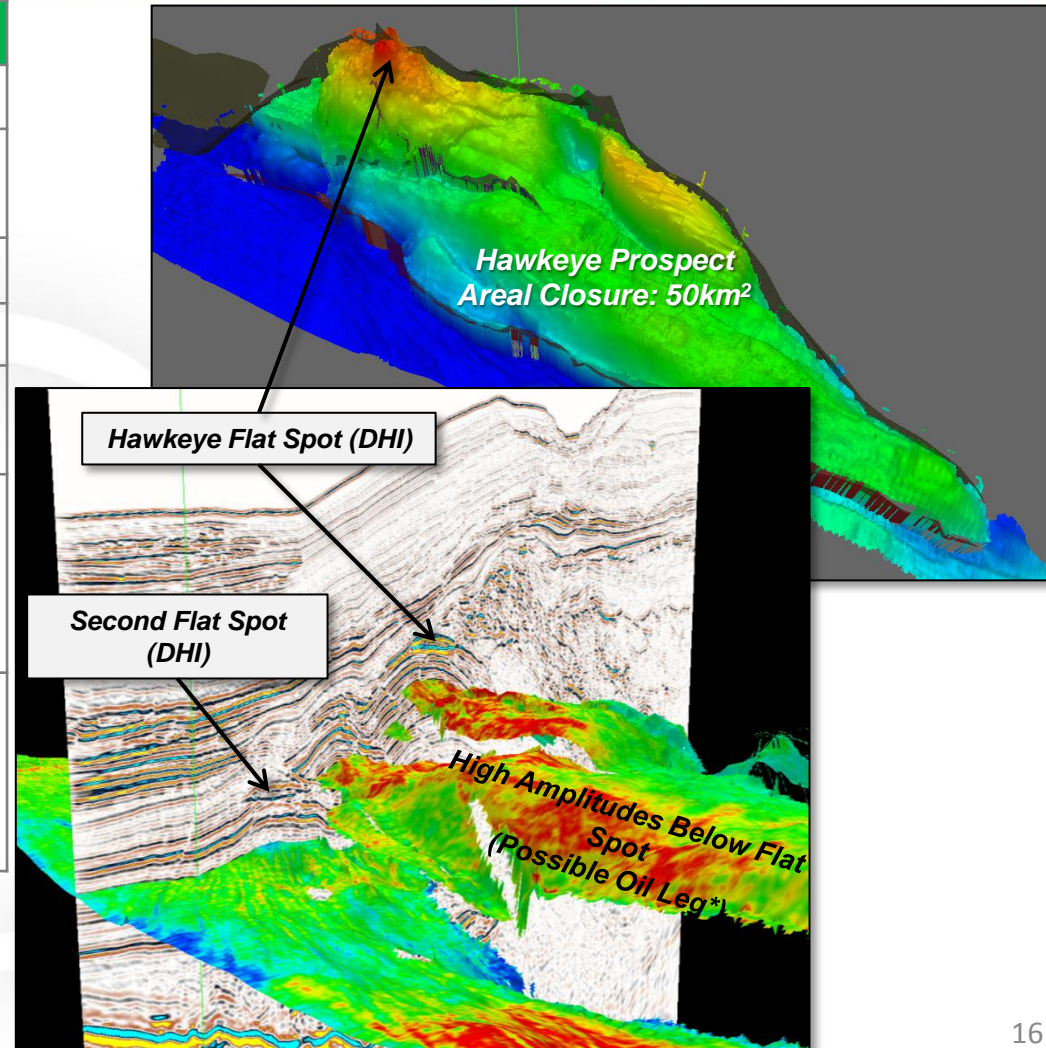


MALAMPAYA (Northern Palawan)
• Proven Reserves 2.5 TCFG and 81 MMBC

Philippines Exploration: SC55 – Hawkeye Prospect

Hawkeye Prospect

Location	Offshore, SW Palawan
Area of Closure	50 km ² Up to 500m column height
Water Depth	1,690 metres
Objective Depth	2,750 metres
STOIIP, mmstb	87 - 484 - 1,539 (Low – Best- High)
Net Prospective Resource (*), MMbbl	15 - 89 – 318 (Low – Best- High) *Represent Otto 93.18% WI
Development	FPSO & Tanker Offtake. “Probable” Chance of development given Mid Case Discovery



Philippines Exploration:

SC55 – Additional Leads Post Hawkeye/Cinco



An *impressive gas and condensate portfolio*, developed on an emerging major regional trend, parallel to the island of Palawan Arithmetically Aggregated '*Best Estimate*'

- GIIP 17 Tscf
- Net Prospective Resource Gas 9 Tscf
- Net Prospective Resources Condensate 320 MMbbls

