



Otis Energy Limited

A.C.N. 075 419 715
Registered Office;
Suite 25, 145 Stirling Hwy
Nedlands, Perth WA 6009

ASX Release

16th April 2014

Financial and Corporate Update

Otis Energy Limited (ASX: OTE) is pleased to provide the following update;

Placement

The Company is pleased to announce that it has successfully agreed terms for a placement to sophisticated and professional investors to raise \$250,000.

250,000,000 shares will be placed to the investors at an issue price of \$0.001 per share to raise a total of \$250,000 (Placement). The Company expects to issue the shares shortly using the Company's available capacity under ASX Listing Rules 7.1 & 7.1A.

The funds will be used for working capital purposes.

Reduction in Operating Costs – Directors Fees

In the context of the recent sale of its Catahoula Lake asset and the reduction in overall activity, the directors undertook a review of all operating costs with a view to reducing as much as possible the Company's overheads. As a consequence all directors have agreed to reduce their directors' fees by approximately 40% effective 1 April 2014.

The directors also anticipate cost savings in other areas of operating costs.

The Board notes that whilst the Company does currently run on a low corporate overhead structure, it is cognisant of the current environment for companies such as Otis and the need to improve its cash position in this difficult economic climate.

Cancellation of Option Offer

In May of 2013 the Company announced a proposed option issue. For regulatory reasons the Company was not able to undertake that issue at the time.

Given the vastly changed environment for the Company and companies of the nature of Otis, and the likelihood that the issue would not be successful in this environment, the Company has elected not to proceed with the proposed priority offer of options to the holders of the relevant option classes as announced on 28 May 2013

For more information contact;
Barnaby Egerton-Warburton
Managing Director
Otis Energy Limited
+612 800 33438