

## **ANNUAL GENERAL MEETING**

### **CHAIRMAN'S ADDRESS**

Dear Shareholders,

Last year, I began my chairman's statement by saying that the previous 12 months had been one of the most significant periods of global change and transformation ever seen. A year later these challenges, combined with the war in Ukraine and international economic uncertainties, have resulted in even greater shifts in the energy sector and the world.

Energy security and energy poverty are very real issues across the globe, creating great volatility in the demand for, pricing of and sourcing of energy options. Collectively, there is a continuing need to find real solutions to reduce the impacts we have on the world.

Set against the backdrop of the past year's complex challenges, Otto's strategy, together with its excellent operational results, has seen us deliver one of the best financial results in our company's history. There has been an 80% reduction in debt through the year, to a remaining US\$2.3 million at balance date, and a balance of zero as of 30 September 2022.

Otto has an outstanding asset base that generates meaningful cash flow with significant long-term value. Recent discoveries at Eaves, Mosquito Bay West and Oyster Bayou South, together with completed recompletion activities at South Marsh 71 and ongoing recompletion activities at Green Canyon 21, will further boost cash flow outlook and are an example of our ability to add value to the base business.

We have demonstrated focus and resilience by delivering record results during fiscal year 2022, and are looking to the future with determination and resolve. Building on this momentum, we are well-positioned with a strong balance sheet, a robust production base and significant operational cashflow to enable growth of the company and its value to shareholders.

The Otto team can rapidly evaluate and execute on accretive acquisition opportunities that meet established criteria. We continue to assess opportunities to remain active in our drilling program, whilst maintaining financial flexibility. We are, as always, committed to growing shareholder value and positioning for sustained success.

We will deliver this with a focus on:

- Maintaining financial and operating discipline;
- Further streamlining corporate structure to reduce complexity and costs;
- Expanding capture of high value potential prospects and PDP acquisitions;
- Continuing to build scale and portfolio diversity in our asset base and product mix;
- Maintaining transparency and rigour in the performance management of our business.

I want to recognize Otto's leadership team and all those who have showed such commitment in helping to achieve the necessary changes, through these very testing times.

I also wish to acknowledge the contribution and counsel of my fellow board members.

On behalf of the Board, I thank our shareholders for their support and continuing endorsement of our plans. I am confident that the change accelerated over the last year only creates more opportunity for the company and shareholders, sure in the belief that Otto is positioned to thrive, achieving even greater levels of success in the years to come.

I look forward to sharing Otto's continued progress as we forge ahead, building a long-term sustainable business where every customer, partner, investor, supplier and employee can benefit in the shared value of our business success.

Mike Utsler

Executive Chairman

***This release is authorized by the Board of Otto.***

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