OTTO ENERGY

22 February 2012

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

By E-Lodgement

Highlights:

- **BHP BILLITON'S FARM-IN TO SC55 APPROVED BY PHILIPPINE DEPARTMENT OF ENERGY**

Otto Energy Ltd (ASX:OEL) is pleased to announce that the Philippine Department of Energy has approved the transfer of a 60% working interest and Operatorship to BHP Billiton Petroleum (Philippines) Corporation.

This completes the last of the Conditions Precedent provided under the terms of the Farm-in Agreement executed in December 2011.

The working interests in Service Contract 55 are now:

Otto Energy (through wholly owned subsidiary NorAsian Energy Ltd)	33.18%
BHP Billiton Petroleum (Philippines) Corporation	60.00%
Trans-Asia Oil and Energy Development Corporation	6.82%

Planning for the commencement of drilling of the first exploration well at Cinco-1 continues with BHP Billiton. A further update on rig status will be provided when available from BHP Billiton.

Yours faithfully

Gregor McNab
Chief Executive Officer

OTTO AT A GLANCE

- ASX-listed oil and gas company with significant growth potential.
- Operator of the producing Galoc Oil Field which provides cash flow.
- High impact offshore exploration program in SC55 in 2012.
- Opportunity rich with substantial exploration prospects and leads in Palawan and Visayan basins.

COMPANY OFFICERS

Rick Crabb	Chairman
Ian Macliver	Director
Rufino Bomasang	Director
John Jetter	Director
Ian Boserio	Director
Gregor McNab	CEO
Matthew Allen	CFO/Coy Secretary

Contact: Matthew Allen Chief Financial Officer +61 8 6467 8800 info@ottoenergy.com	Media: Dudley White / Stephanie Sim MAGNUS Investor Relations + Corporate Communication +61 2 8999 1010 dwhite@magnus.net.au / ssim@magnus.net.au