16 October 2012

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 provided to investors from Tuesday 16th October to Thursday 18th October 2012.

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.
- 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:	Media:
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ASX : OEL

OTTO ENERGY

Gregor McNab, Chief Executive Officer

October 2012

Disclaimer

This presentation does not constitute an offer to sell securities and is not a solicitation of an offer to buy securities. It is not to be distributed to third parties without the consent of Otto Energy Ltd (the “Company”).

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.

Management of the Company cautions that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ materially from those expressed or implied by the statements. Management believes that the estimates are reasonable, but should not unduly be relied upon.

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.

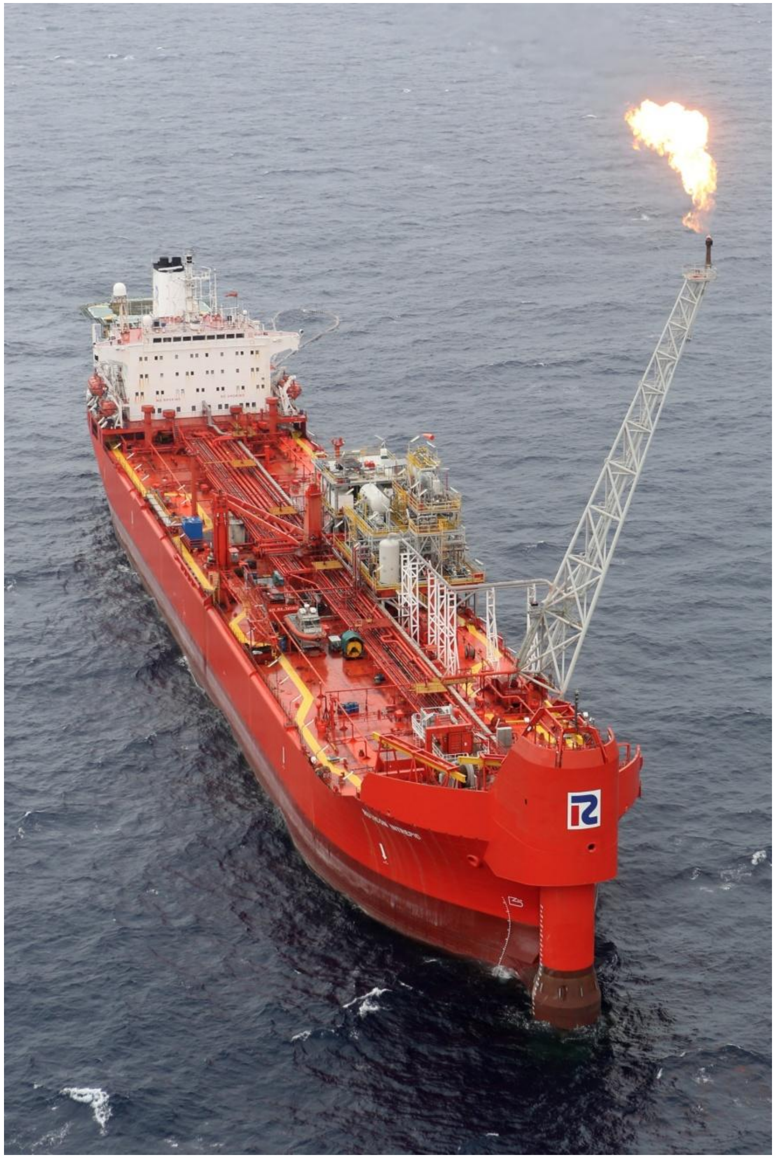
The hydrocarbon reserve and resource estimates are based on information compiled by Mr Nick Pink.
Mr Pink has more than 13 years of relevant experience and is qualified in accordance with ASX Listing Rule 5.11. Mr Pink is a full time employee of Otto Energy as its Senior Reservoir Engineer and has consented to the inclusion in the presentation of the information in the form and context in which is appears.

Otto Overview

- Listed on ASX since 2004
- Market capitalisation ~A$102 million at A$0.09 per share

- Growing an integrated business across exploration, development and production phases
- Geographic focus on South East Asia and onshore East Africa
- Established integrated position in the Philippines
- Secured first exploration position into Tanzania in 2012

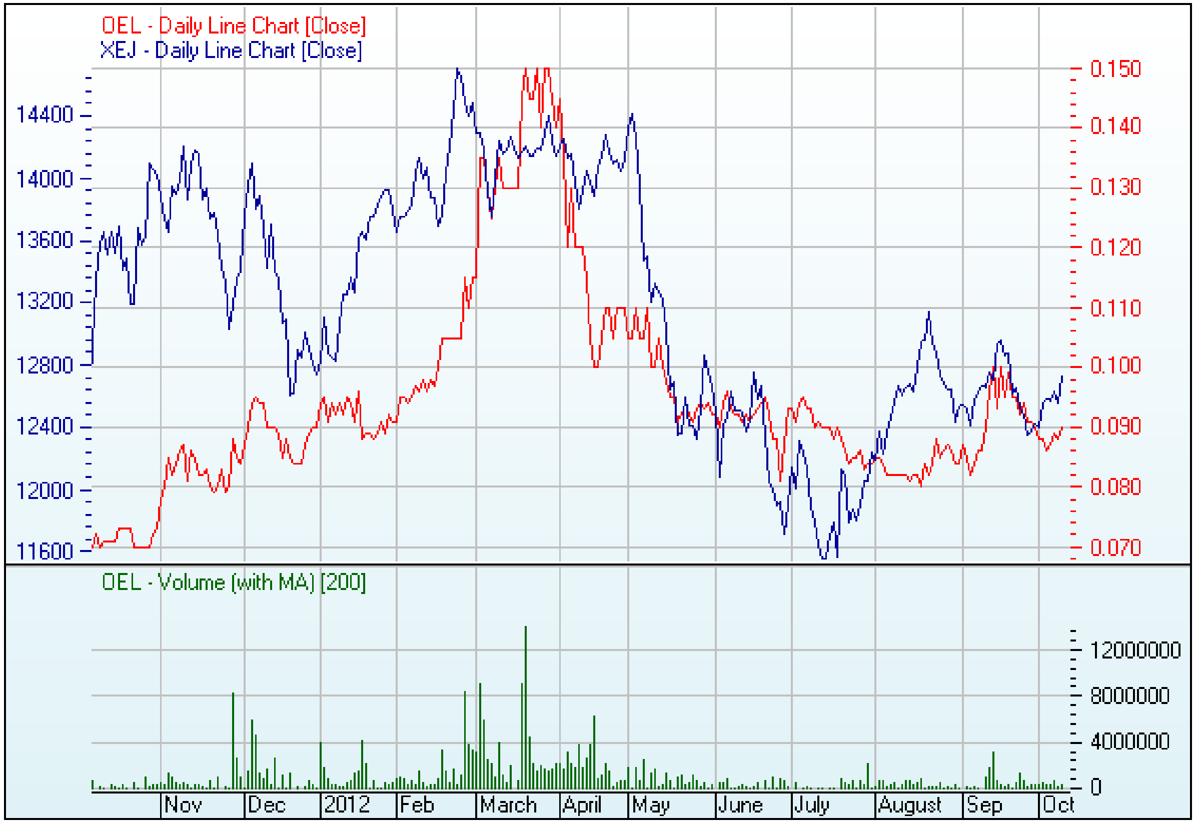
- Deliverables by end 2013:
- Drill 2 development wells and double net production to 4,000 BOPD
- Drill 3 exploration wells



Capital Structure & Shareholders

Capital Structure	
Fully paid ordinary shares	1.13b
Unlisted options[1]	28.25m
Performance Rights	27.00m
Market capitalisation[2]	102m
Cash (at June 2012)	US$28.3m
Debt (at June 2012)	Nil

Shareholders	
Molton Holdings	21.3%
Santo Holdings	21.3%
Acorn Capital	7.4%
Directors	3.7%
Shareholders	3,071



1. Exercisable at prices between 12 and 60 cents per share.
2. Undiluted at 9.0 cents per share as at 9 October 2012

12 Month Turnover = 26.02% of issued capital

Board & Management

Board of Directors

Chairman – Rick Crabb BJuris (Hons), LLB, MBA
Chairman of Paladin Energy, Golden Rim & Ashburton Minerals.

Non-Executive Director – John Jetter, LLB, BEc INSEAD
Former MD/CEO JP Morgan Germany. Non-Executive Director of Venture Minerals

Non-Executive Director – Ian Boserio BSc (Hons)
Former executive positions with Shell & Woodside in exploration roles. Non-Executive Director of Nexus Energy

Non-Executive Director - Ian Macliver BComm, CA, FFin, MAICD
Managing Director Grange Consulting. Non-Executive Director of Stratel Ltd, Mount Gibson Iron & Select Vaccines

Non-Executive Director – Rufino Bomasang BSc, MBE
Former President/CEO of PNOC-EC. Former Undersecretary of Energy for Philippines DOE.

Management

Chief Executive Officer – Gregor McNab BSc (Hons)
Oil & gas experience gained over 29 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.

Chief Financial Officer – Matthew Allen BBus, CA, FFin, GAICD
Finance & accounting experience gained over 18 years, based in Australia & Middle East. Former senior roles with Woodside over 9 year period.

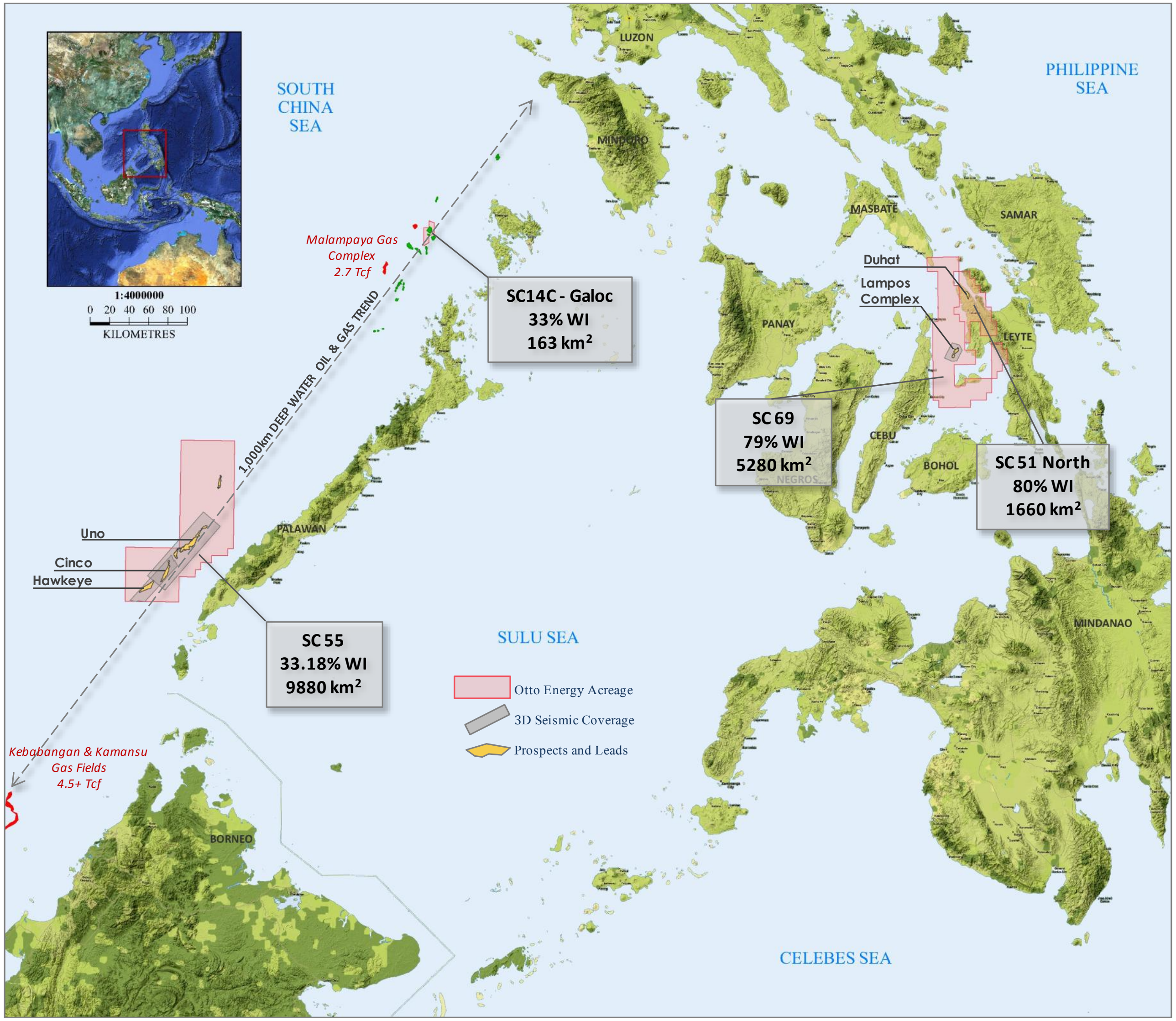
Exploration Manager - Paul Senycia BSc (Hons), MAppSc
Oil & gas experience gained over 30 years. Experienced geoscientist with specific focus on Australia, South East Asia & Africa. Former senior roles over 17 year career with Woodside & Shell.

Activity Pipeline

NEW BUSINESS	EXPLORATION	APPRAISAL/ DEVELOPMENT	PRODUCTION
PECR4: ➢ Submissions made for Area 7 & Area 15 **East Africa:** ➢ Actively screening opportunities **South East Asia** ➢ Actively screening opportunities	**Palawan Exploration:** ➢ **SC14C – Galoc:** - **Galoc North** ➢ **SC55:** - **Cinco-1 drill ready** - Hawkeye drill ready **Visayan Exploration:** ➢ SC51: - San Isidro 2D Seismic H2 2012 - **Duhat-2 well** ➢ SC69: - Lampos 3D seismic interpretation **Tanzanian Exploration:** ➢ Awarded Kilosa-Kilombero and Pangani PSA's in Jan 2012 ➢ Aero magnetic/gravity survey	**Galoc Oil Field Phase II:** ➢ **2 wells in 2013 for ~8 MMbbl recoverable** ➢ 3D seismic acquisition completed	**Galoc Oil Field:** ➢ Production to date 9 MMbbl ➢ Remaining reserves 8 MMbbl ➢ FPSO Rubicon Intrepid Turret completed ➢ Production resumed 4 April 2012

INORGANIC NEW BUSINESS

Established Integrated Position in the Philippines



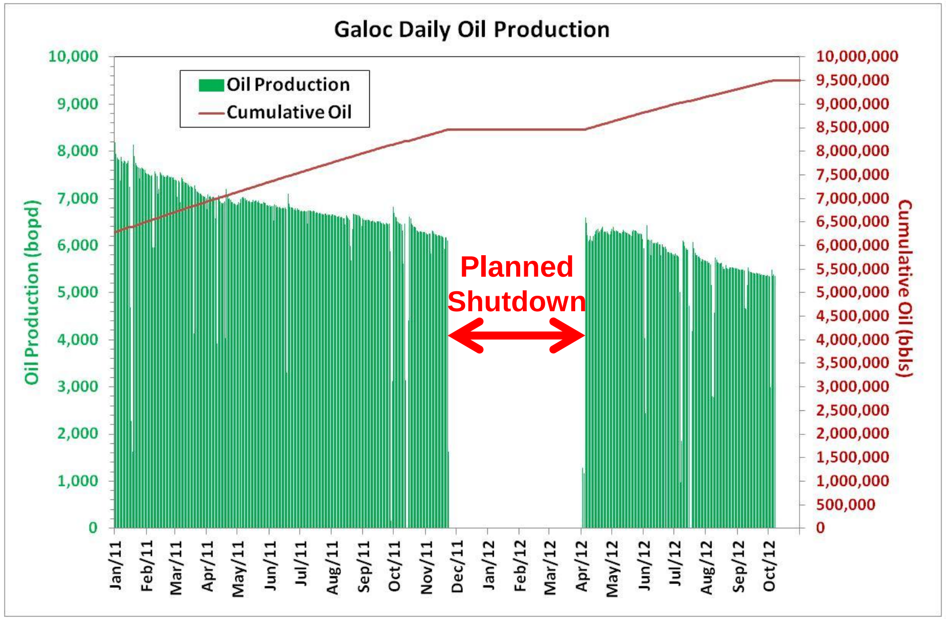
Production – Galoc Phase I

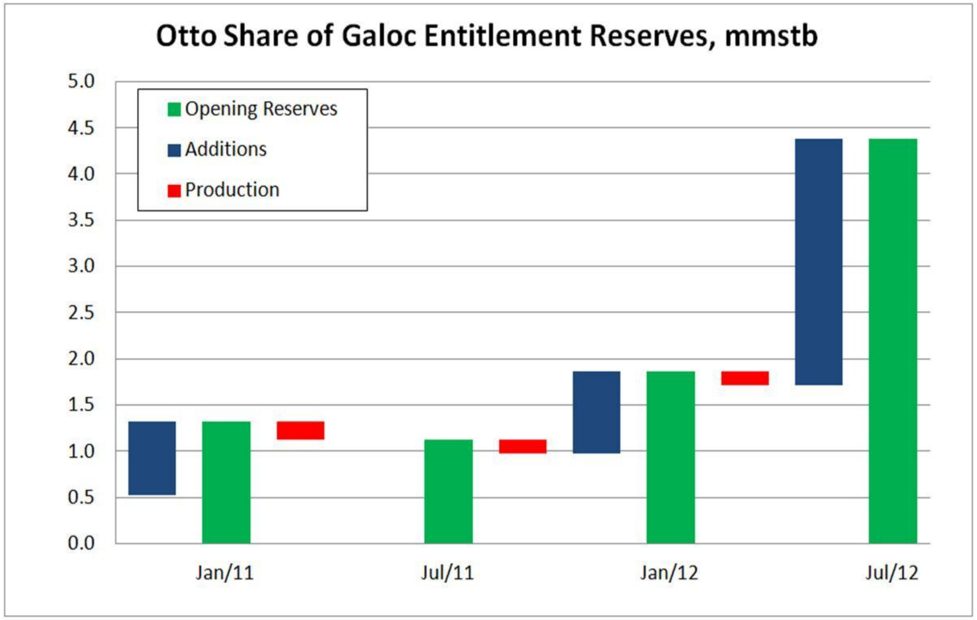
- Otto holds material working interest: 33% and field operator
- Reliable production: 5,500 BOPD, >95% uptime, 9.5 MMbbl produced to date (gross)
- Marketable product: 35^{o} API oil, low sulphur crude easily placed into regional market, consistently achieving ~US110 per barrel
- FPSO positioned for long term: Major refit completed 2012
- Substantial remaining reserves potential: >30 MMbbl through Phase I, Phase II and near term exploration
- Cashflow allows self sustaining growth: Funds high value exploration and development activities

Fiscal Terms :

Factor	%
Cost recovery cap	70
Contractor profit share	37.5
Filipino Participation Incentive Allowance	7.5
Corporate Tax	30

Production & Reserves





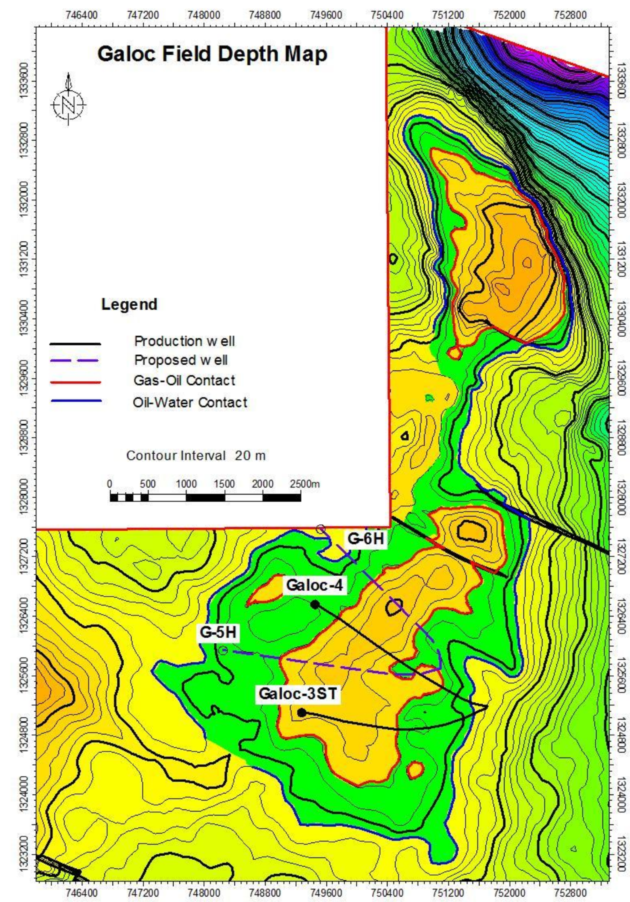
- Progressive reserve additions since January 2011
  - January 2011: Improved operating performance and reservoir performance
  - January 2012: Increased OEL interest from 19% to 33% via Vitol transaction
  - July 2012: Galoc Phase II final investment decision
  - Scope for future additions through near field exploration and ongoing development

Development – Galoc Phase II

- Scope
  - Drill and complete two 2,000m horizontal section subsea wells
  - Tie-back to existing FPSO ("Rubicon Intrepid")
  - Install second production riser and control umbilical

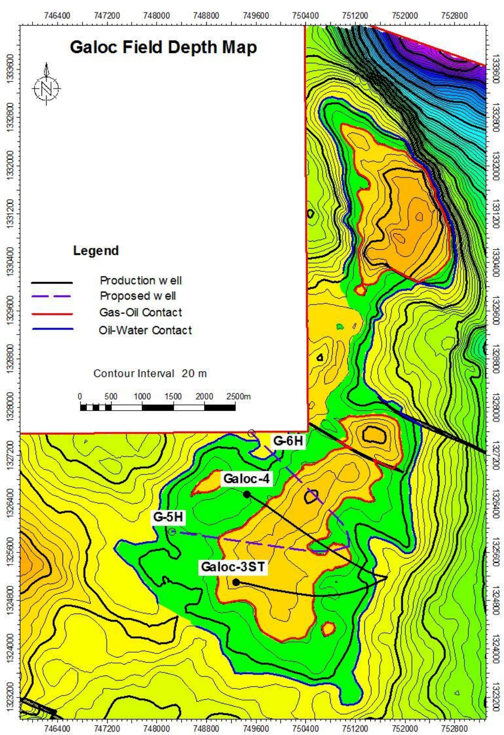
- Production
  - Will deliver ~8 MMbbl of additional reserves
  - Current total field production of 5,600 BOPD will increase to over 12,000 BOPD
  - Field life extended

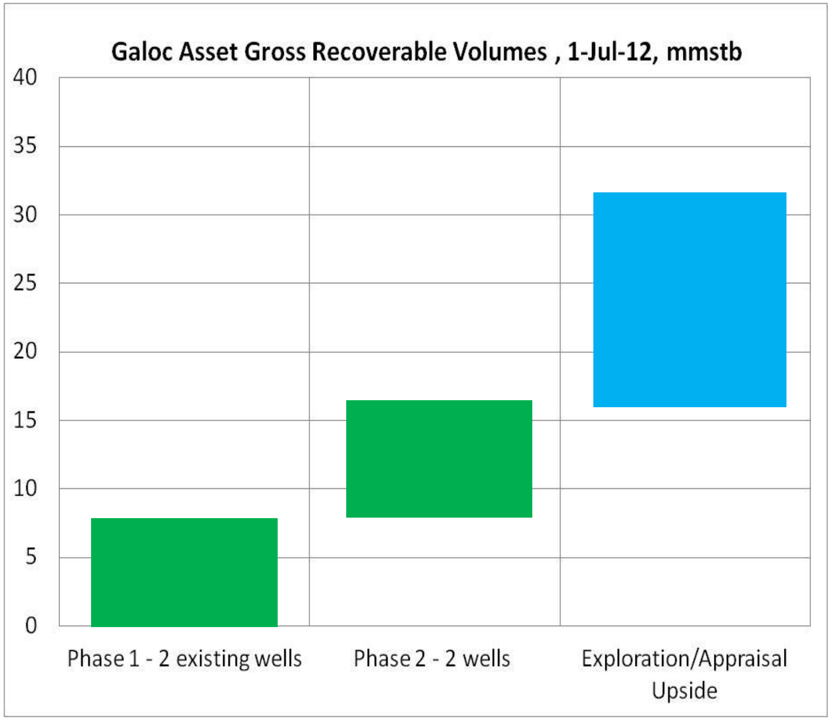
- Investment
  - Final Investment Decision undertaken September 2012
  - Total capital expenditure US$188million – Otto 33% share US$62 million
  - All key services will be under firm contract with industry recognised companies



Galoc: Exploration Potential

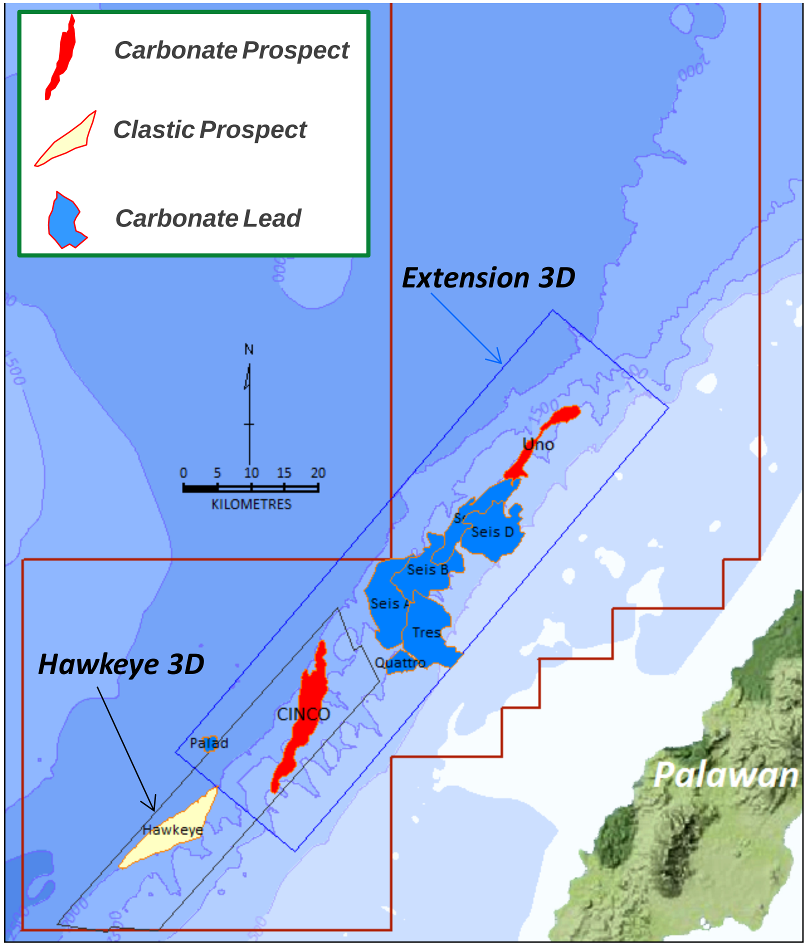
- Significant Work completed to build understanding of subsurface issues
  - High resolution 3D seismic data acquired January 2012
  - Detailed geological and reservoir modelling commenced 4Q 2011
  - High confidence in northern Galoc area exploration potential to double reserves.
  - Exploration well to be drilled immediately after development campaign





SC55: Carbonate Gas Prospect & Lead Portfolio

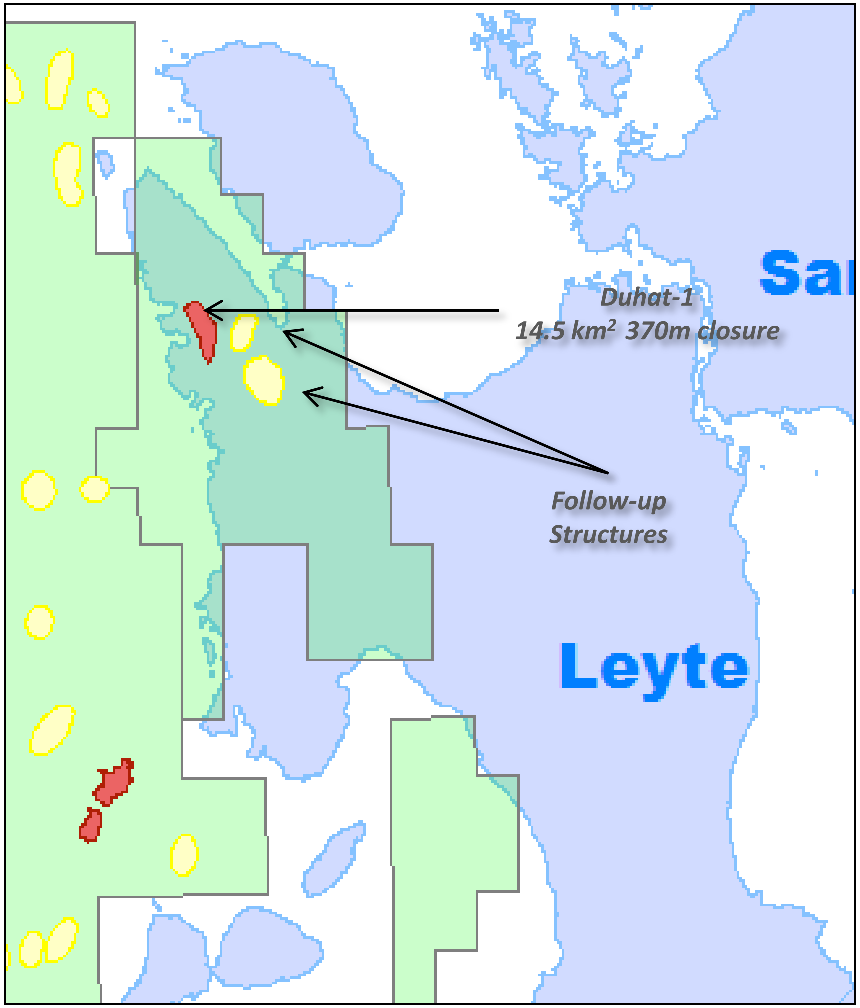
- Total unrisked potential Mean Recoverable Resources (Nido level carbonates only):
  - Gas: 19 Tcf
  - Condensate: 670 MMbbls
- Cinco Prospect (analogous to Malampaya field):
  - Gas: 2.1Tcf
  - Condensate: 74 MMbbls
- Hawkeye represents alternative clastic prospect
- Otto working interest 33%
- BHP Billiton (operator) 60%
  - All farmin documentation executed
  - All conditions to assign interest complete
  - BHPB have reimbursed historical costs
  - BHPB will fund first well – option to fund second
- BHPB working to secure rig to drill commitment well prior to end of current sub-phase in August 2013



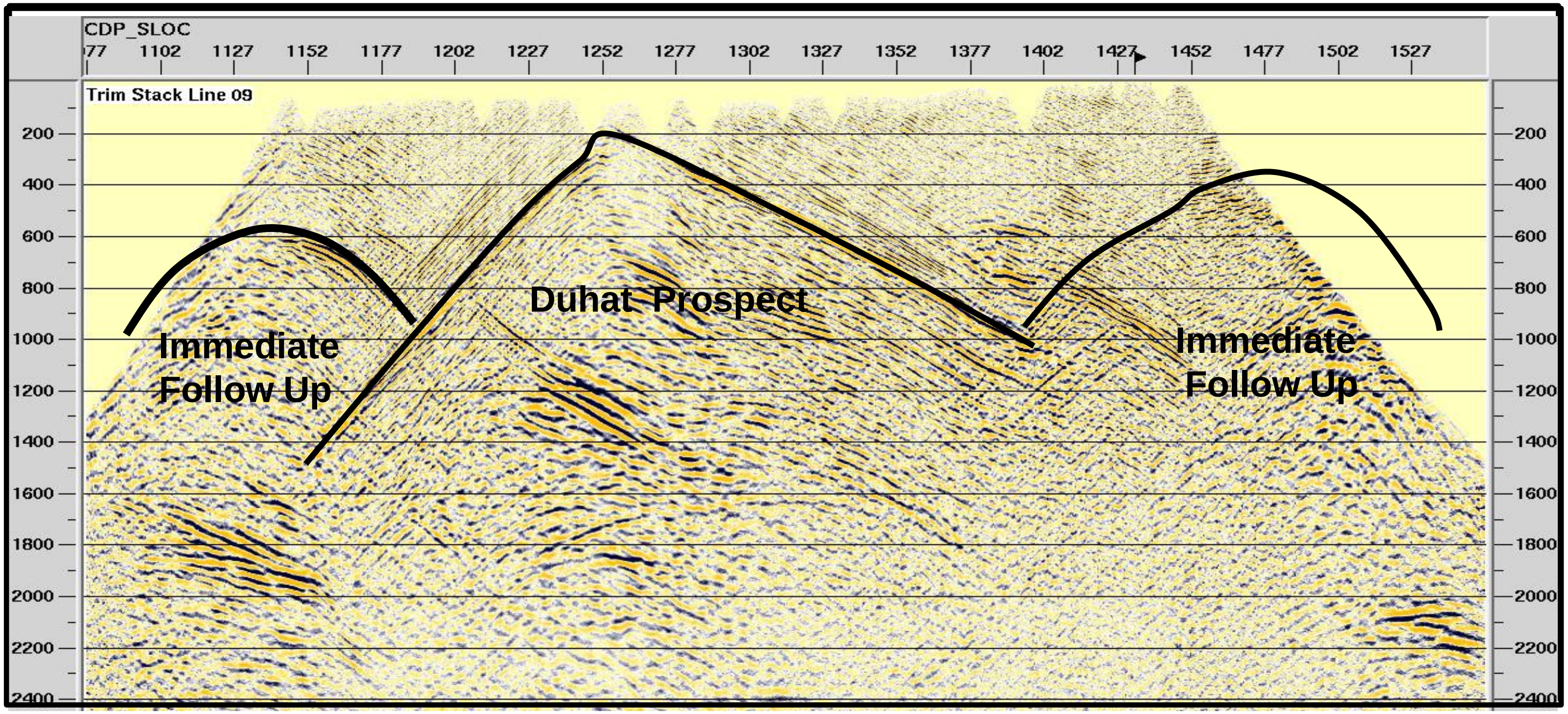
SC51: Planning for Duhat-2 Well

- Otto working interest 80% and operator
- Duhat-1 well drilled to limited depth in 2011: demonstrated hydrocarbons
- Currently executing 100km 2D seismic survey to confirm well location
- Plan to drill Duhat-2 well in 2013
- Represents low cost exploration with potential to monetise in the near term

Duhat Prospect: San Isidro Anticline	
Location	On-shore, NW Leyte
Proposed Well Depth	1000m
Area of Closure	14.5 km^2
STOIIP	12-76-263 MMbbls



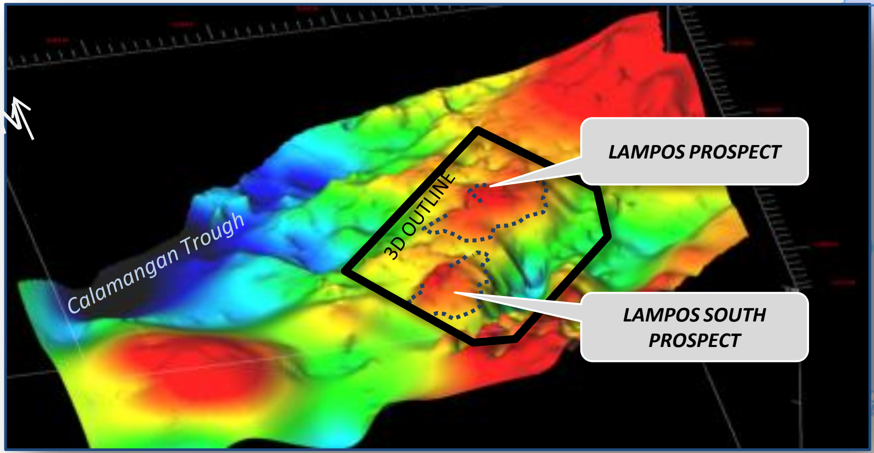
SC51: 2012 Seismic De-Risking Duhat Prospect

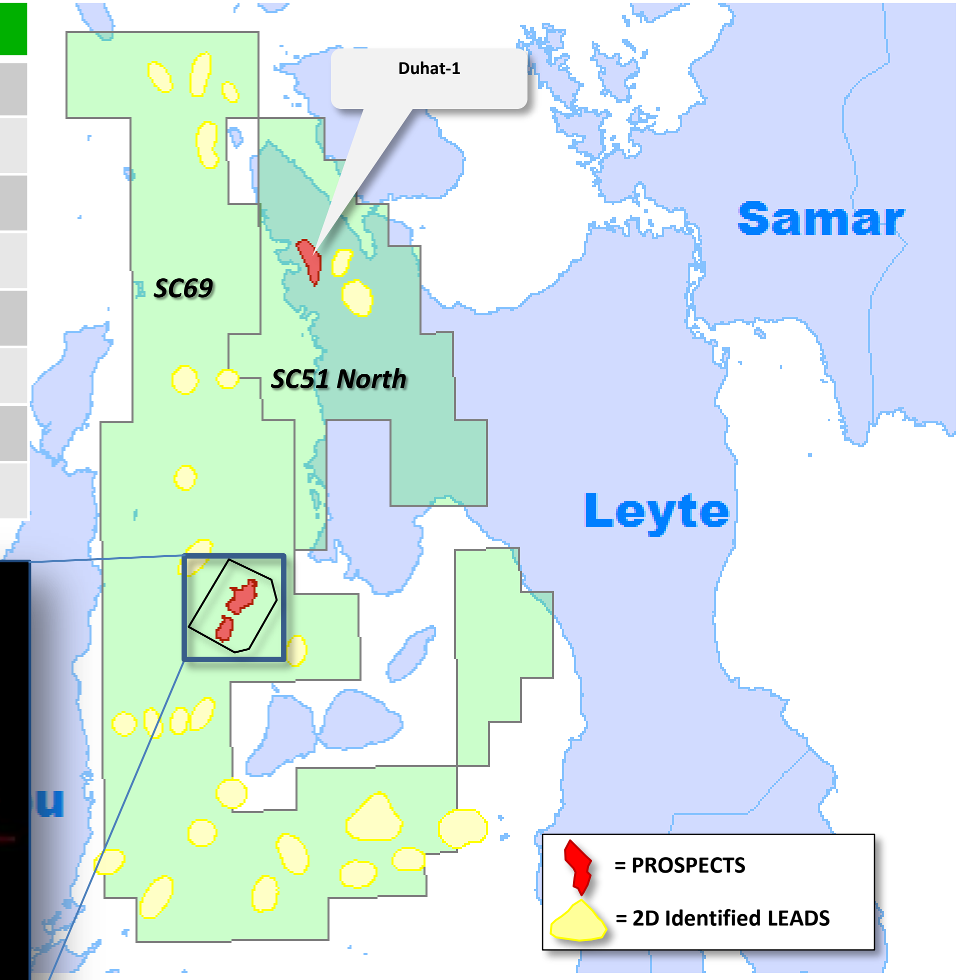


- New 2D seismic survey confirming Duhat structure and identifies immediate follow up potential:
  - Large simple anticlines – effective trap for hydrocarbons
  - Confirms volumetrics consistent with previous expectation
  - Increased coverage allows improved well location decision making
- Active hydrocarbon generation and expulsion confirmed through surface seeps
- Effective seal confirmed by 2011 Duhat-1 well

SC69: Maturing to drillable status

OEL WI 79%	Lampos	Lampos South
Location	Off-shore Visayan Basin	
Water Depth	730 Metres	670 Metres
Objective Depth	1,230 Metres	1,300 Metres
Closure Area	14.5 km^2	14.5 km^2
Closure Height	330m	500m
STOIIP (Mean)[1]	191 MMbbls	312 MMbbls
GIIP (Mean)[2]	274 Bcf	446 Bcf
Source Area	Calamangan Trough	





1. *Success case if trap oil filled*
2. *Success case if trap gas filled*

Onshore East Africa: Discoveries since 2000

East Africa: Tanzania

Joint Venture Partners:

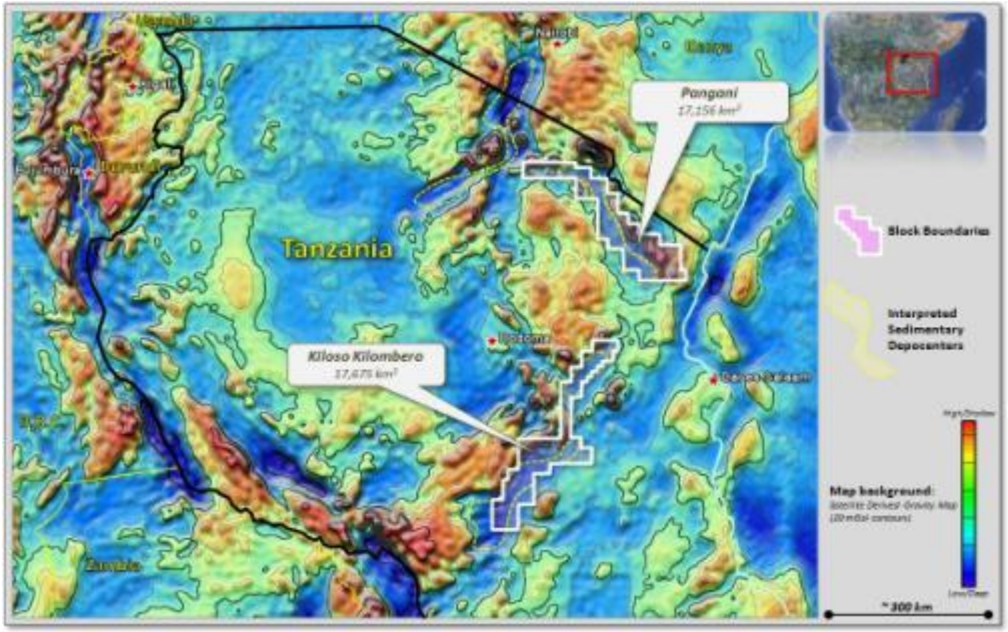
Name	%
Otto Energy (Tanzania) Pty Ltd	50.00%
Swala Oil and Gas (Tanzania) Limited	50.00%

PANGANI PSA

- ~17,000 square kilometres
- A potential arm of a triple point junction on the eastern branch of the East African Rift System
- Work program : airborne gravity and/or magnetic surveying, satellite and photogeology works and geochemical sampling

KILOSA-KILOMBERO PSA

- ~17,000 square kilometres
- The Cenozoic rifting may be linked with the greater (western) rift system of the East Africa Rift
- May contain several thousand metres of prospective sediment fill
- Work program : airborne gravity and/or magnetic surveying, satellite and photogeology works and geochemical sampling



Activity Pipeline

NEW BUSINESS → **EXPLORATION** → **APPRAISAL/ DEVELOPMENT** → **PRODUCTION**

NEW BUSINESS

PECR4:
- Submissions made for Area 7 & Area 15

East Africa:
- Actively screening opportunities

South East Asia
- Actively screening opportunities

EXPLORATION

Palawan Exploration:
- **SC14C – Galoc:**
  - **Galoc North**
- **SC55:**
  - **Cinco-1 drill ready**
  - Hawkeye drill ready

Visayan Exploration:
- SC51:
  - San Isidro 2D Seismic H2 2012
  - **Duhat-2 well**
- SC69:
  - Lampos 3D seismic interpretation

Tanzanian Exploration:
- Awarded Kilosa-Kilombero and Pangani PSA's in Jan 2012
- Aero magnetic/gravity survey

APPRAISAL/ DEVELOPMENT

Galoc Oil Field Phase II:
- **2 wells in 2013 for ~8 MMbbl recoverable**
- 3D seismic acquisition completed

PRODUCTION

Galoc Oil Field:
- Production to date 9 MMbbl
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INORGANIC NEW BUSINESS

THANK YOU

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