29 August 2013

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

By E-Lodgement

SC55 STRATEGIC ENVIRONMENTAL PLAN CLEARANCE PROGRESS UPDATE

Highlights:

- **PCSD Meeting held and SC55 SEP Clearance to be issued**

Otto Energy Limited (ASX: OEL) has been notified that the Palawan Council for Sustainable Development ("PCSD") has approved the issuance of the Strategic Environmental Plan Clearance ("SEP Clearance") in relation to drilling of the Cinco-1 exploration well in Service Contract 55 ("SC55").

Formal written endorsement is being finalised between the PCSD, the Operator, BHP Billiton Petroleum (Philippines) Corporation (BHPB) (ASX: BHP) and the Philippines Department of Energy (DOE).

The SC55 joint venture will seek confirmation from the DOE of the revised work program timing following the suspension due to Force Majeure.

Otto Chief Executive Officer Gregor McNab said: “This is a positive step in closing the final regulatory approvals required to progress drilling of the Cinco-1 exploration well. We look forward to finalising these approvals and the commencement of drilling activities."

--Ends--

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
Matthew Allen	CFO/Coy Secretary

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