

24 February 2014

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

By E-Lodgement

CHIEF EXECUTIVE OFFICER APPOINTMENT

Otto Energy Ltd (ASX:OEL) is pleased to announce the appointment of Mr Matthew Allen to the position of Chief Executive Officer (CEO) effective immediately, following the mutually agreed resignation of Mr Gregor McNab due to personal reasons.

Since joining Otto as Chief Financial Officer in November 2009, Matthew has played an integral role in implementing Otto's strategy to build a successful international oil and gas company, through assembling an exploration portfolio of high potential prospects and pursuing the development of discovered fields, and is committed to continuing this strategy for the benefit of shareholders.

Matthew has 14 years of experience in the upstream oil and gas industry and has worked with Otto and previously Woodside Energy. Matthew has had global exposure to the upstream oil and gas industry in Asia, Africa, Australia and the Middle East.

Otto's Chairman Rick Crabb said "Firstly, I would like to thank Gregor McNab for his leadership of Otto for the past two years. During this period, Gregor has overseen an increase in the Company's production and cash flow profile, primarily through the successful Galoc Phase II development, as well as the Company's onshore East Africa entry. On behalf of my Board colleagues, shareholders and all Otto employees, I extend our well wishes to Gregor as he pursues personal interests.

"The Board welcomes Matthew's appointment as CEO and we are confident he has the requisite skills and experience to fulfil this role. Over recent years, Matthew has worked closely with Gregor on implementing Otto's key strategic initiatives and operational projects, and is actively involved in all the Company's planning tasks and decision-making processes."

Yours faithfully

Rick Crabb
Chairman

--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 MacIver	Director
Rufino Bomasang	Director
John Jetter	Director
Ian Boserio	Director
Matthew Allen	CEO

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CEO CONTRACT SUMMARY

In accordance with ASX Listing rule 3.16.4, Otto provides the following information in relation to the key terms of Mr Allen's employment contract:

- A fixed salary of \$475,000 per annum
- A Short Term Incentive (STI) may be paid by the Board discretion in exceptional circumstances. There is no fixed entitlement to an STI.
- Eligible to participate in the Long Term Incentive (LTI) program through the Employee Performance Rights Plan. Mr Allen's current interest in Performance Rights is included in the table below.
- The contract may be terminated:
 - By the Executive with 90 days notice
 - By the Company with 30 days notice, subject to payment of termination of agreement without cause of 6 months remuneration
 - By the Company immediately upon certain specified events

Mr Allen currently has an interest in the following securities of Otto Energy Ltd:

	Ordinary Shares	Options	Performance Rights
Mr Matthew Allen	3,000,000	-	6,500,000

Performance Rights on issue vest according to the following schedule:

Number	Grant Date	Vest Date	Vesting Condition
1,000,000	3 Oct 2011	31 Mar 2014	100% TSR
2,000,000	3 Oct 2011	30 Sep 2014	50% TSR/50% Time
3,500,000	1 Feb 2013	1 April 2015	100% TSR

TSR means total shareholder return, which measures the change in capital value of the Company's share price over a period, expressed as a percentage of opening value compared to the relative ranking against a group of Otto's ASX listed peer group companies.