11 March 2014

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 to be provided to investors by Matthew Allen on Tuesday 11th and Wednesday 12th March 2014.

Yours faithfully

Matthew Allen
Chief Executive Officer

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
Matthew Allen	CEO
Craig Hasson	CFO
Scott Blenkinsop	Company Secretary

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ASX : OEL

Otto Energy

Investor Presentation

March 2014

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The hydrocarbon reserve and resource information in this presentation is based on, and fairly represents, information compiled by Mr Nick Pink. Mr Pink has more than 14 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 it appears.

Clear Regional Focus:

Focus on conventional hydrocarbon exploration and production within South East Asia and the East Africa Rift System ("EARS")

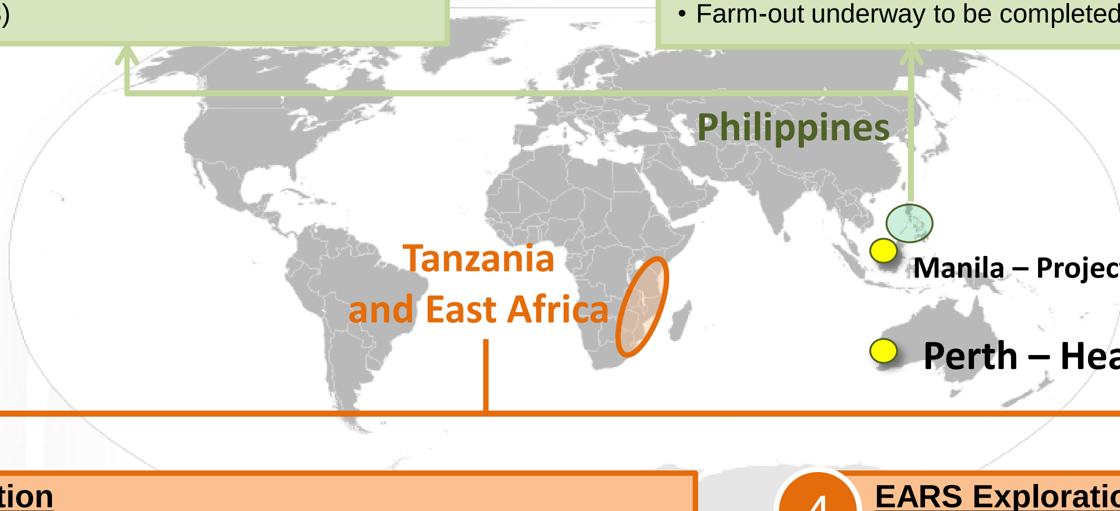
OTTO ENERGY

1 **Stable Production and Reserves**
SC14C (Galoc Field)

- 33% WI and operator
- Conventional, producing offshore oil field
- >3,200 bopd production and 3.8mmboe 2P reserves (both net Otto. Reserves as at 31 December 13)

2 **Philippines Exploration**
SC55 (Hawkeye/Cinco)

- 93.18% WI and operator[1]
- Deep water exploration
- 2 drill ready prospects with Cinco & Hawkeye
- US$27.5m funding by BHBP[1]
- Farm-out underway to be completed in 2014



3 **Tanzania Exploration**
Kilosa-Kilombero and Pangani

- Focus on evaluating East Africa Rift System (emerging hydrocarbon province)
- 50% WI in 17,675 km^2 Kilosa-Kilombero Block and 17,156 km^2 Pangani Blocks
- Similar geological characteristics (basin age and structure) identified in 2013 2D seismic program to Lokichar Basin and Lake Albert
- Early 2D seismic identified the significant Kito prospect in Kilombero Basin

4 **EARS Exploration**
Further Growth

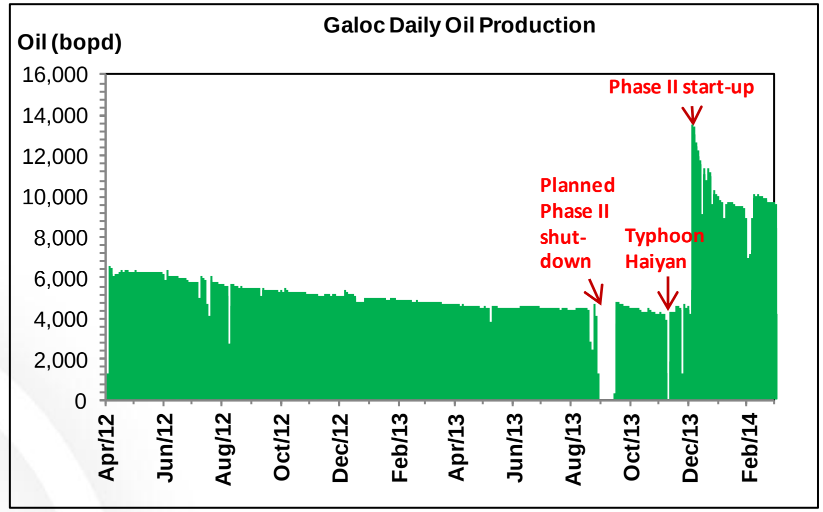
- Otto is seeking to complement and diversify by acquiring new acreage in EARS

Note:
[1] Executed documentation with BHPB on terms of withdrawal from SC55. BHPB re-assigns its 60% interest and all future rights to Otto - Otto will retain 93.18% working interest. BHPB pays Otto US$3mm when DOE approves the assignment – further US$24.5mm payable upon drilling of first exploration well in SC55.

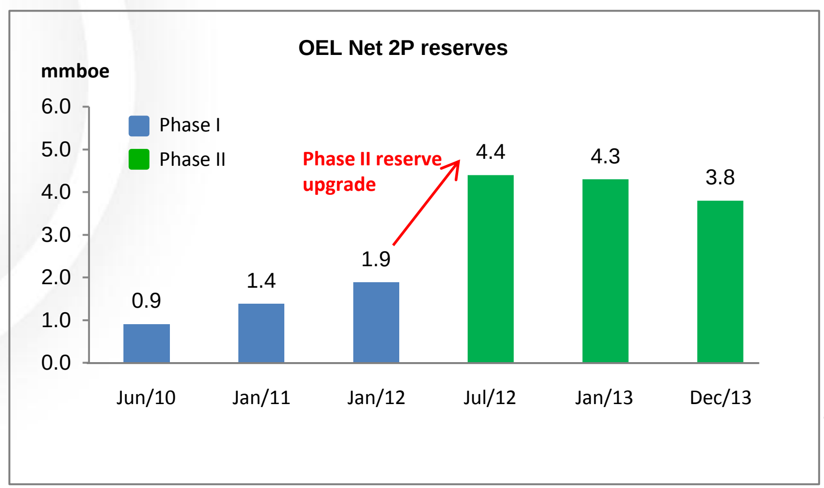
SC14C Galoc Field (Otto 33% Operator):

Reliable Production and Reserves

- Reliable production operations since successful FPSO & mooring upgrade in early 2012 - >98% uptime
- Current production of >3,200 BOPD (net Otto)
- 3.8mmboe 2P reserves as at 31 December 2013 (net Otto)
- Underpins cashflow generation and exploration expenditure
- Field life extended beyond 2020
- Marketable product: 35^{o} API oil, low sulphur crude easily placed into Asian market priced against Dubai benchmark plus premium



Note: Otto has a 33% working interest in gross field production



Note: Reserves net to Otto at time of reserve report.

SC55 (Otto 93.18% Operator):

High Impact and Drill Ready Prospects

SC55 Permit Status

- Otto currently re-acquiring 60% WI due to BHPB decision to exit Philippines[1]
- Will result in Otto with 93.18% interest
- Current sub-phase commitment to drill 1 exploration well by ~ October 2014.[2]

Exploration and Drill Targets

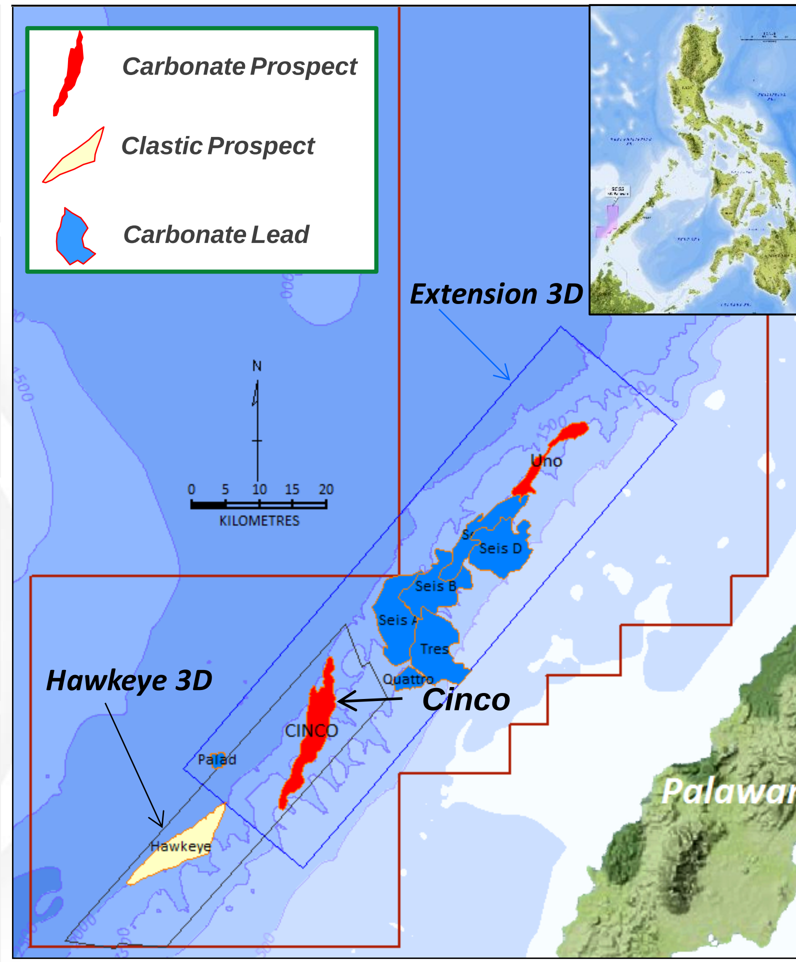
- No wells have yet been drilled
- Drill ready, high impact prospects have been defined by 3D seismic. Net prospective resources are:
  - Hawkeye (15-318 mmboe oil target)[3]
  - Cinco (0.5-3.4 TCF gas target)[3]

Funding of Exploration Drilling

- US$27.5m secured from BHPB for exploration drilling [1]
- Farm-out process underway to manage portfolio and financial risk exposure

Next Steps

- Secure DOE approvals for reassignment of operatorship
- Secure farm-in partner
- Seek DOE approvals for time extension
- Execute drilling program



Note:
[1] Executed documents defining BHPB's terms of withdrawal from SC55. BHPB will re-assign its 60% interest and all future rights to Otto - Otto will retain 93.18% working interest. BHPB pays Otto US$3mm when DOE approves the assignment – further US$24.5mm payable upon drilling of first exploration well in SC55.
[2] Subject to Philippines DOE acknowledgement; [3] Represent Otto 93.18% net working interest in prospective resources (see additional information)

Tanzania (Otto 50% WI):
Otto Tanzania Position Material First Step

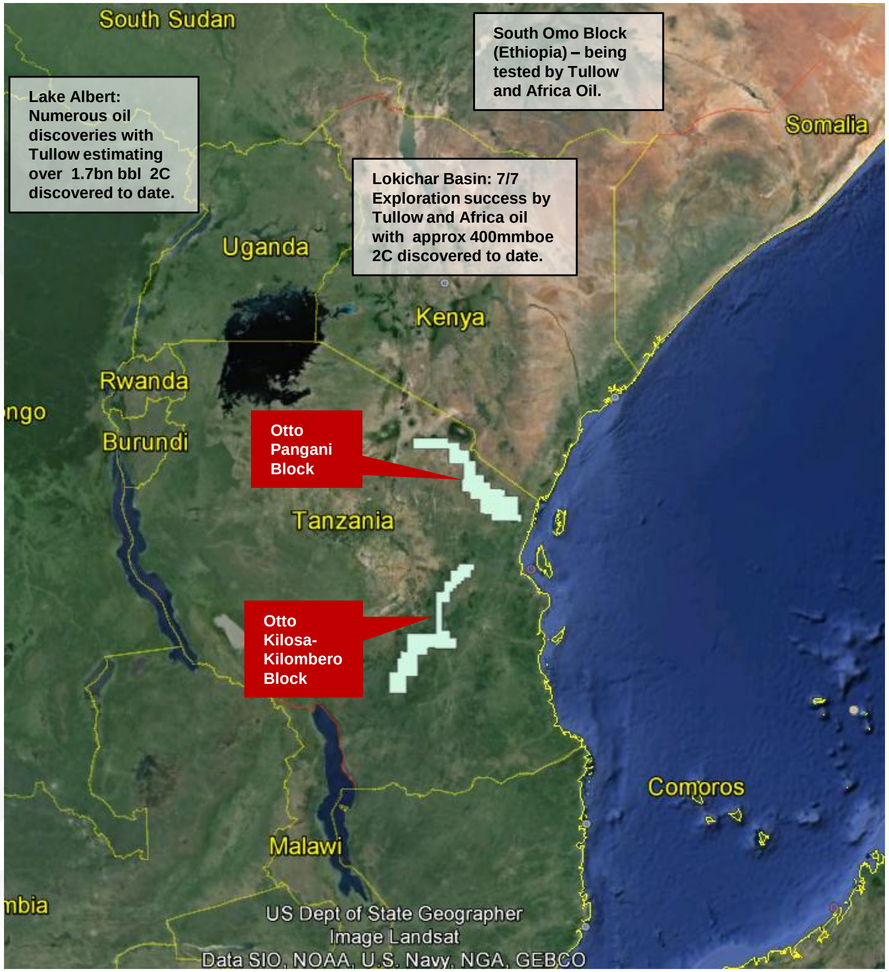
History

- Pre 2006 - No material exploration success
- 2006 - First discovery in Uganda
- 2008 - 09 - Further discoveries result in >1.5 Bn boe prospective resources in Uganda
- 2012 - First two modern wells in Kenya successful
- 2013 - Three further discoveries in Kenya
  - Exploration expands into Ethiopia
- 2014 - 2 further discoveries in Kenya

Results to date:

- Uganda - 66/79 successful wells
  - 11 Fields
  - > 1.5 Bn boe discovered by Tullow and other participants
- Kenya - 7/7 successful wells by Africa Oil and Tullow Joint Venture
  - Approx 400mmboe 2C discovered

Exploration success and Otto acreage



Source:
Tullow Uganda Country Report (2013); Africa Oil Presentation (January 2014)

Tanzania (Otto 50% WI):
High WI in permits covering prospective basins

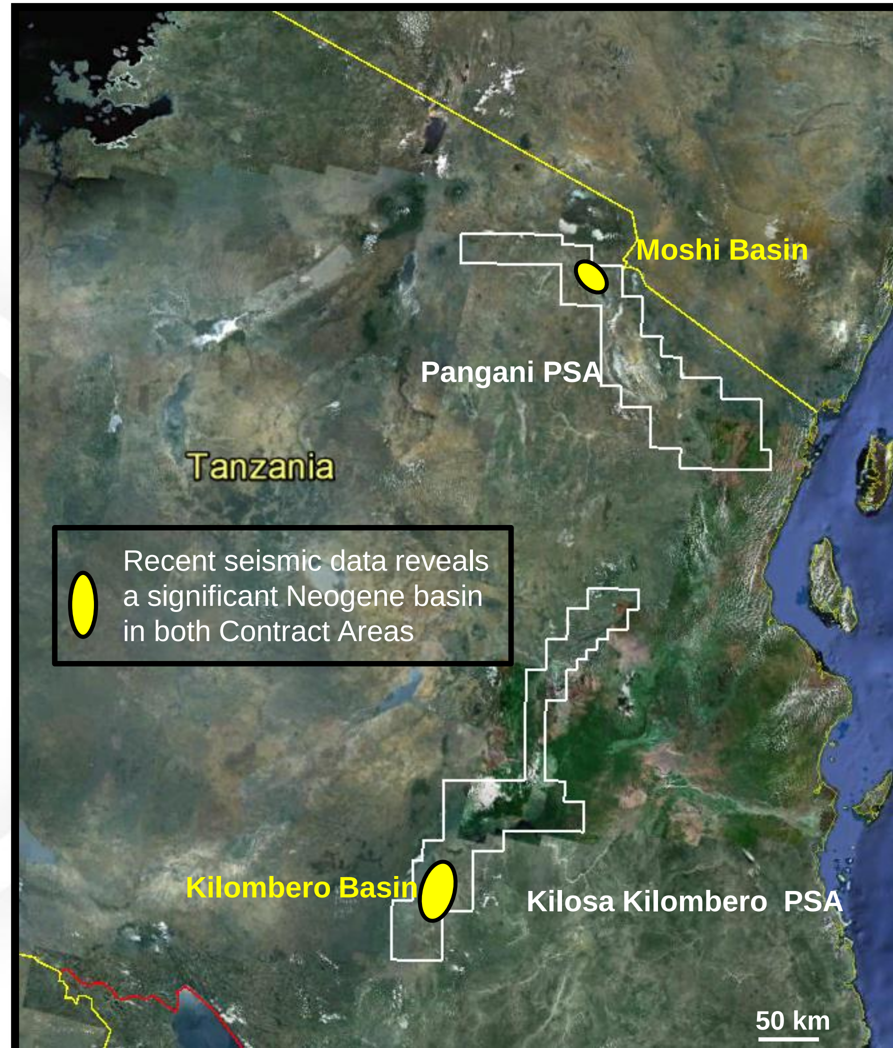
Work completed to date has provided encouraging results

•2012: Completed airborne gravity, magnetic surveying and sampling over Kilosa-Kilombero and Pangani – **five potential basin areas identified**

•2013: Completed seismic over the three Kilosa-Kilombero basins and two Pangani basins
- **Kilosa-Kilombero:** Neogene basin defined, Kito prospect identified, potential for further targets indicated.
- **Pangani**: Moshi area has been identified as being location of significant Neogene-aged basin. No drillable prospect identified yet

•2014: Next steps include maturing Kito to drill stage, completing further FTG and/or seismic over Kilombero and Pangani and identifying a drillable prospect in Pangani

Block	Otto (WI %)	JVP	Size (km^2)
Kilosa-Kilombero	50%	Swala Oil and Gas (Tanzania) Limited: (operator) 50%	17,675
Pangani	50%		17,156



Tanzania (Otto 50% WI):

Seismic indicates Kilombero Basin is analogous to the Lokichar Basin in Kenya

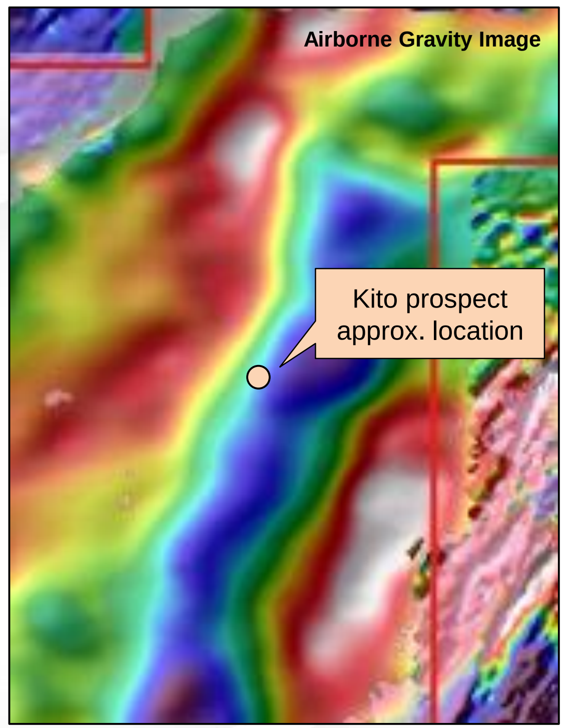
Kilombero Basin appears analogous to the Lokichar Basin in Kenya

• Kilombero interpreted as Neogene-age basin with a depth to basement in excess of 3,000m

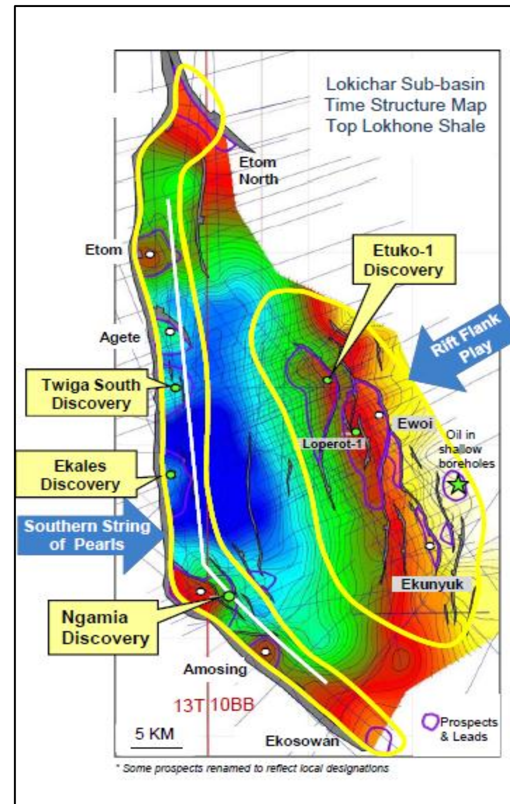
• Comparison with Lokichar Basin identifies similar:

1. Depositional geometries within the basins
2. Potential trapping geometries, basin size and depth
3. Interpreted sediment age

Tanzania: Kilombero Basin



Kenya: Lokichar Basin and exploration status



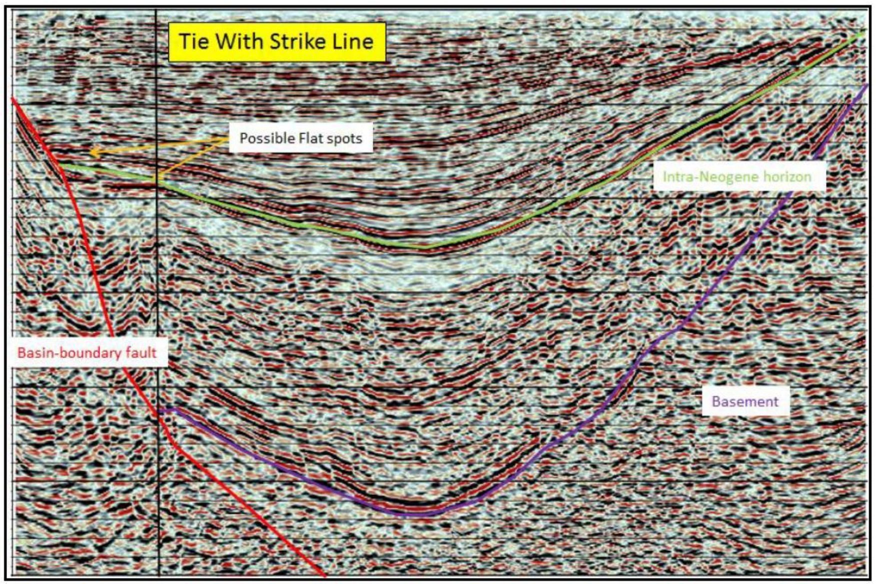
Source: Africa Oil

Basin Comparison at approximately the same scale

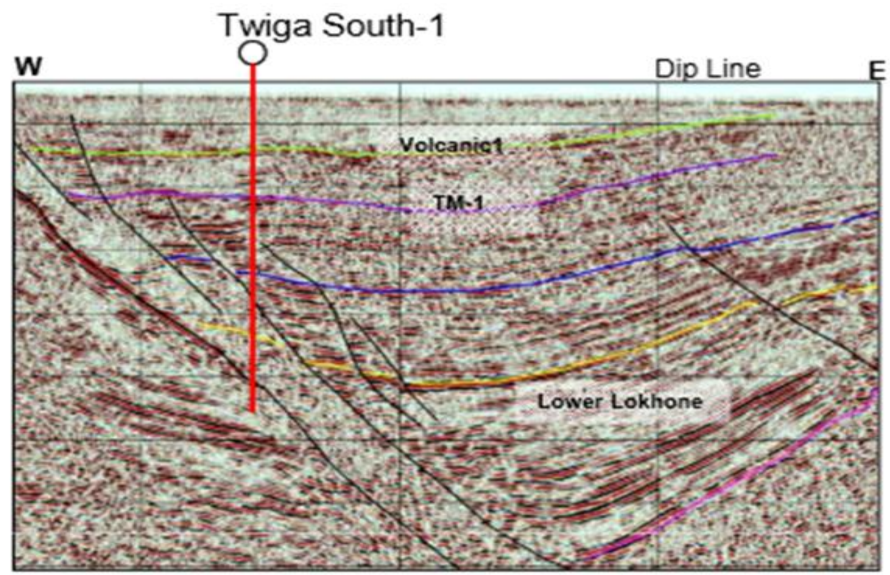
Tanzania (Otto 50% WI):

Kilombero Basin exhibits structural and depositional geometries similar to those in the Lokichar Basin

Tanzania: Kilombero Basin



Kenya: Lokichar Basin



Source: Africa Oil

The proven play trend in the Lokichar Basin, Kenya, demonstrates large structural highs with multiple stacked pay zones adjacent to the basin bounding fault. Initial 2D seismic in the Kilombero Basin indicates that the Kito prospect is analogous to these style of discoveries.

This is demonstrated in the above seismic lines shown through the Kilombero Basin and Lokichar Basin

Strong Capital Structure:
Value underpinned by Reserves

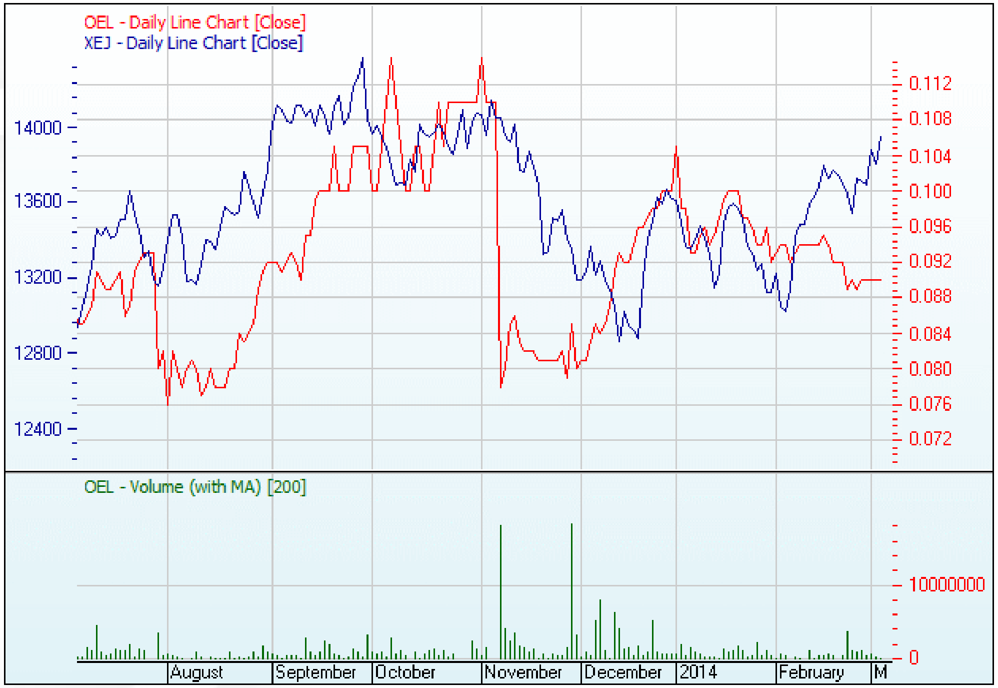
Capital Structure	
Fully paid ordinary shares	1.15b
Unlisted options[1]	9.75m
Performance Rights	16.0m
Market capitalisation[2]	A$103m
Cash (Dec 2013)	US$16.1m
Debt (Dec 2013)	US$35.9m

Shareholders	
Molton Holdings	21.1%
Santo Holdings	21.1%
Acorn Capital	7.6%
Directors & Management	4.5%
Shareholders	2,968

Net Reserves	
Summary (31 December 2013)	mmboe
Galoc 2P	3.8

1. Exercisable at prices between 11.1 and 12 cents per share.
2. Undiluted at 9 cents per share as at 4 March 2014

- Stable cash flow from Galoc and financial discipline are key differentiators to competitors
- Cashflow can be reinvested into high impact exploration
- Asset debt used for Galoc Phase II development. No corporate debt



12 Month Turnover = 25.28% of issued capital
Average daily volume last 12 months = 1.143 million shares/day

Company Overview:
Investment Rationale

1 **Strategy:** Focus on conventional hydrocarbon exploration and production within South East Asia and the East Africa Rift System ("EARS").

2 **Production:** Galoc Phase II production of >3,200 bopd plus 3.8mmboe 2P reserves as at 31 December 13 (net to Otto). Expect delivery of 11 cargos in 2014 (100,000 bbl per cargo net Otto).

3 **Philippines Exploration:** 93.18% WI in high impact deep water exploration in SC55. 2 drillable targets identified with farm-in process underway. US$27.5m of committed funding from BHP Billiton.[1]

4 **East Africa Rift System:** 50% WI in two onshore blocks in Tanzania in emerging hydrocarbon province. First prospect identified from 2D seismic. Further leads being assessed. Focus of new business growth.

5 **Strong capital structure:** Cashflow from Galoc and demonstrated financial discipline.

6 **Proven management delivery:** Demonstrated track record in operations and commercial deal capture.

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THANK YOU

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Additional Information

Experienced Board & Management Team

Board of Directors

Rick Crabb – Chairman.
BJuris (Hons), LLB, MBA
Former energy, resources and corporate lawyer with over 25 years Australian and international experience. Chairman of Paladin Energy.

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

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

Ian Macliver – Non-Executive Director.
BComm, CA, FFin, MAICD
Managing Director Grange Consulting. Non-Executive Director of Western Areas and Select Exploration.

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

Senior Management

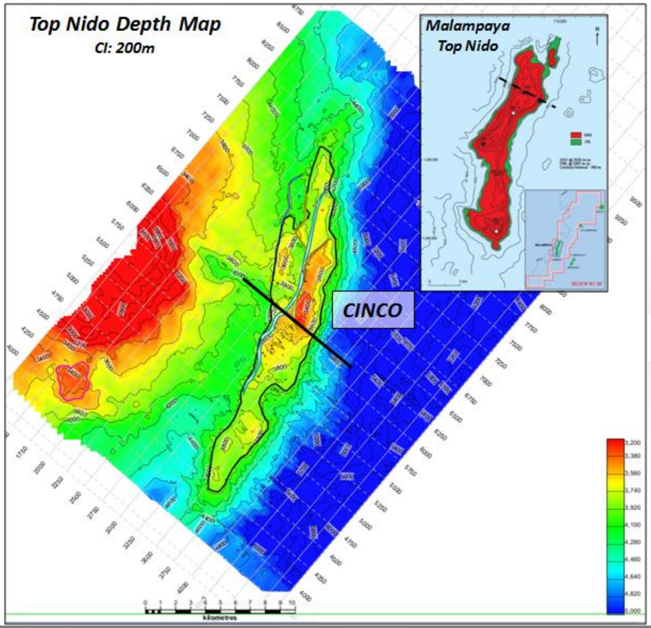
Matthew Allen – Chief Executive Officer. BBus, FCA, FFin, GAICD
Global exposure to the upstream oil and gas industry with 14 years experience in Asia, Africa, Australia and Middle East. Previous senior roles with Woodside over 9 year period. Previously held the role of CFO of Otto Energy.

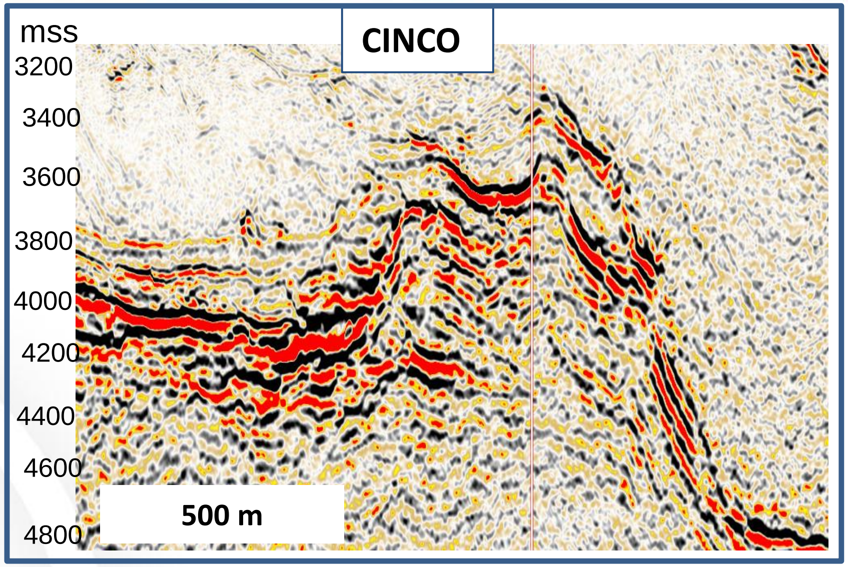
Paul Senycia – Vice President, Exploration and New Ventures. BSc (Hons), MAppSc
International oil & gas experience gained over 30 years. Specific focus on Australia, South East Asia & Africa. Previous roles at Oilex (Exploration Manager), Woodside Energy (Head of Evaluation) and Shell International.

Craig Hasson – Chief Financial Officer. BCom, CA, AGIA
Chartered Accountant with over 12 years experience in resources in Australia, Europe and Africa. Previous roles at Cairn Energy, Dragon Mining, Resolute Mining and Ernst & Young.

Scott Blenkinsop – Chief Legal Counsel and Company Secretary. LLB
20 years experience as a resources lawyer specialising in oil and gas with significant experience in Australasia, Africa, Asia, Americas and Europe. Previous roles at Woodside, INPEX, Chevron, Cooper Energy and Tap Oil.

Philippines Exploration:
SC55 – Cinco Prospect

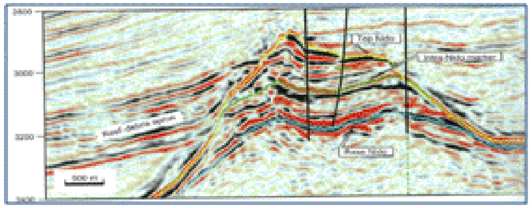




Cinco Prospect	
Area of Closure	53 km^2 Up to 500m column height
Water Depth	1,430 metres
Objective Depth	3,120 – 4,500 metres
GIIP	0.9 – 2.4 – 6.3 Tscf ((Low – Best- High)
Net Prospective Resource (*)	0.5 - 1.3 - 3.4 Tscf gas, plus (Low – Best- High) 16 - 45 - 132 MMbbls condensate (Low – Best- High) *Represent OTTO 93.18% WI

MALAMPAYA

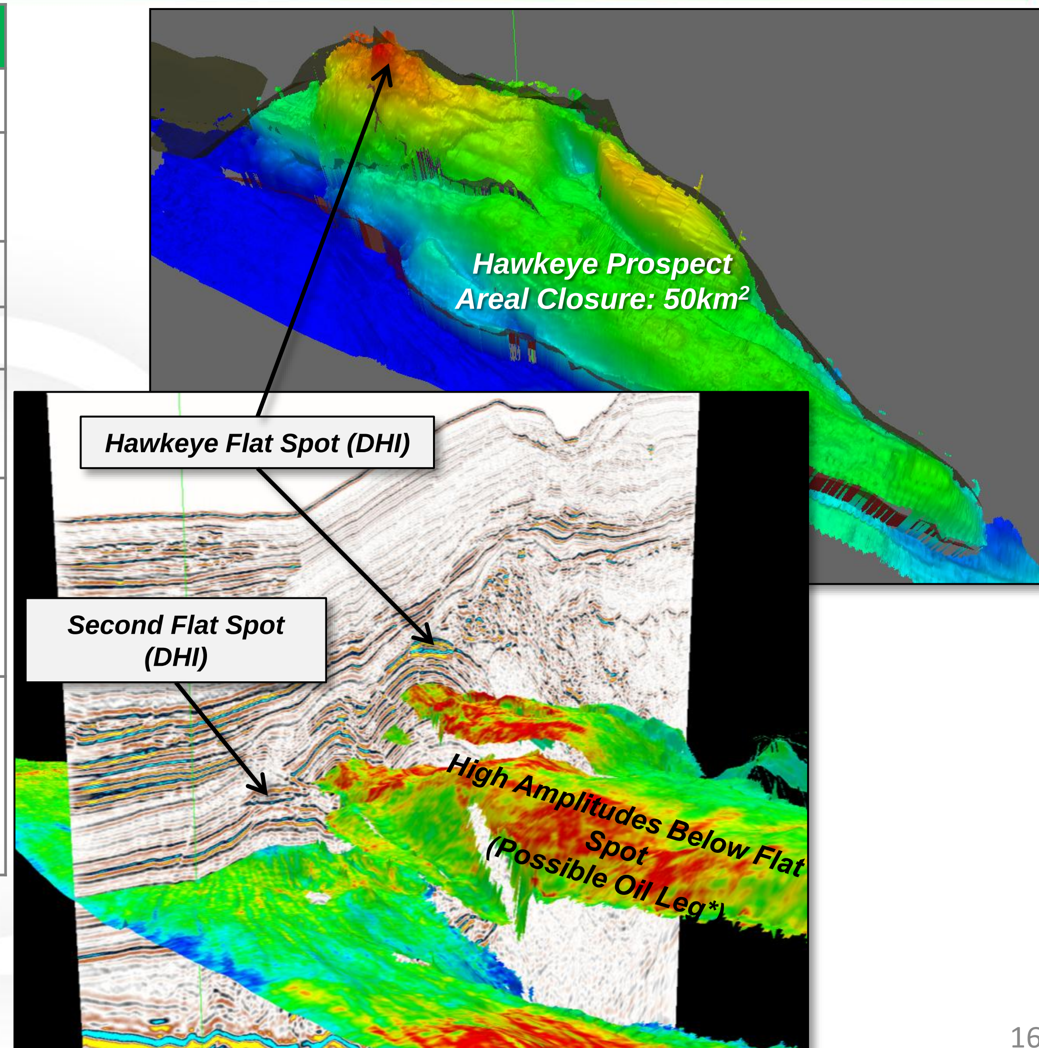
Same scale



MALAMPAYA (Northern Palawan)
- ***Proven Reserves 2.5 TCFG and 81 MMBC***

Philippines Exploration:
SC55 – Hawkeye Prospect

Hawkeye Prospect	
Location	Offshore, SW Palawan
Area of Closure	50 km^2 Up to 500m column height
Water Depth	1,690 metres
Objective Depth	2,750 metres
STOIIP, mmstb	87 - 484 - 1,539 (Low – Best- High)
Net Prospective Resource (*), MMbbl	15 - 89 – 318 (Low – Best- High) *Represent Otto 93.18% WI
Development	FPSO & Tanker Offtake. “Probable” Chance of development given Mid Case Discovery



Philippines Exploration:
SC55 – Additional Leads Post Hawkeye/Cinco

An ***impressive gas and condensate portfolio***, developed on an emerging major regional trend, parallel to the island of Palawan

Arithmetically Aggregated ***'Best Estimate'***

• GIIP	17 Tscf
• Net Prospective Resource Gas	9 Tscf
• Net Prospective Resources Condensate	320 MMbbls