

ASX ANNOUNCEMENT

2 April 2020

BOARD AND MANAGEMENT

With the focus of the company on completion of the current capital raise and ensuring the company is positioned to ride through the current market challenges, the following changes have been agreed to as part of an ongoing process to better equip the company for the new market environment.

Otto's Chairman, Mr Ian Boserio, has confirmed to the Board, and the Board of Otto has agreed, that he will resign from the Board effective immediately.

Mr John Jetter has been elected by the Board as Chairman effective immediately. The Board believes Mr Jetter's long experience as a senior executive of JPMorgan, as well as his strong financial acumen, means he is the appropriate candidate to assume the position of Chairman in the current environment.

Mr Jetter will further lead an initiative to implement a Board renewal process immediately following completion of the capital raise. The Board intends to conduct an extensive search that will involve a number of changes to the Board composition.

In addition and as part of capital preservation initiatives, Otto's Managing Director Mr Matthew Allen has offered to reduce his compensation by 50% for 6 months subject to US Labor Department consent, which is required under US law. Further cost reduction initiatives are being undertaken by the Company and will be communicated to the market in the near term.

As part of the above transition, the composition of the Remuneration and Nomination Committee is now John Jetter (Chair elect), Mr Paul Senyacia and Kevin Small. The composition of the Audit and Risk Management Committee is now Mr Paul Senyacia (Chair) and Mr John Jetter.

The Board would like to acknowledge the significant personal contribution and long-term commitment that Mr Boserio made to the Board of Otto Energy. Mr Boserio has been part of the Board that successfully created significant shareholder value from Otto's business in the Philippines and played an important part in the implementation of the strategic transition into the US. Mr Boserio joined Otto following a long career at Shell, and brought his significant skills, energy and experience to the Board of Otto Energy.

Mr Jetter made the following comments:

"The combination of the Covid 19 health crisis and the collapse in the oil market have presented Otto Energy with the most difficult market environment since the company was founded. However, we cannot blame all of our problems on the market. I am well aware of justifiable shareholder criticism. The changes announced today are only the beginning of a process of change. I thank the Board for its vote of confidence and will work tirelessly with the management and the Board of Otto Energy to steer the company through this difficult time and create a platform for future growth in shareholder value."

John Jetter
Chairman