

# GULF COAST EXPLORATION WELLS UPDATE

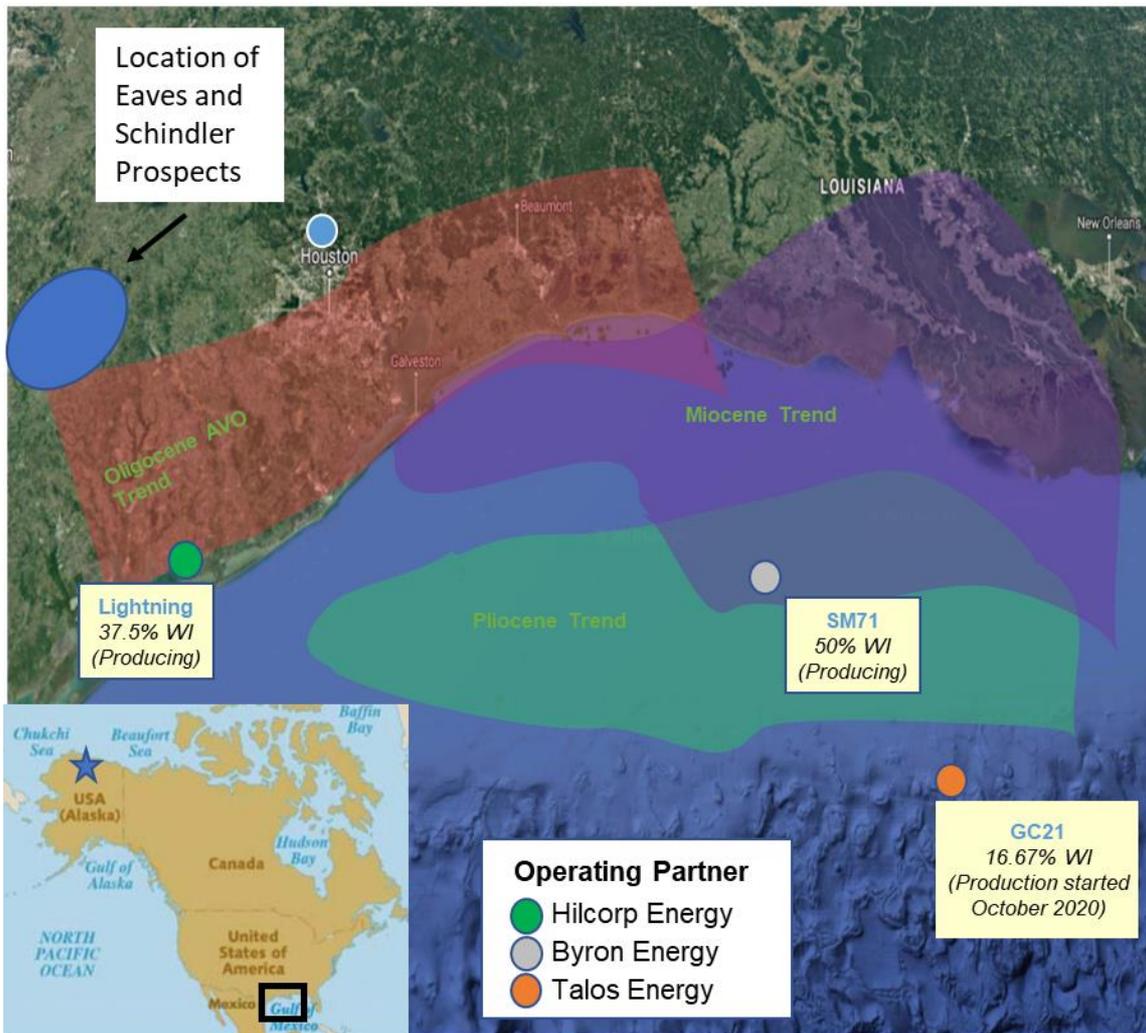
- Schindler #2 well, in Colorado County, Texas, has been drilled to a total depth of 13,658' (TVD) on December 3<sup>rd</sup>, 2021 (US Central Standard Time (CST)) and encountered the primary Wilcox objective.
- The well encountered 11 separate gas shows during drilling, however triple combo wireline log evaluation has indicated that the sands are too tight to be producible.
- Operator Castex Energy, Inc. has recommended the well be plugged and abandoned, which Otto has supported.
- The Vick #1 well, within the Eaves Prospect in Lavaca County, has finished moving in rig and equipment and is currently 70% rigged up, with spudding of the well imminent.
- Otto has assessed the Eaves Prospect as having Unrisked P50 Success Volumetrics of 2.5 BCF of gas and 12,500 bbl of Condensate at a 75% Geological Probability of Success.

Otto Energy Limited (ASX: OEL) (**Otto** or the **Company**) provides the following operational update in relation to the two Wilcox exploration prospects that it is participating in, located onshore in Texas.

The Schindler #2 well, in Colorado County, Texas, operated by Castex Energy, Inc. was drilled to a depth of 13,658' TVD on December 3<sup>rd</sup>, 2021 (US Central Standard Time (CST)). The well encountered a total of 11 gas shows during drilling including in the primary Wilcox objective. After evaluating triple combo wireline log data acquired within the well bore, it was determined that the formations were too tight to be producible and all well participants have elected to plug and abandon the well. The well is expected to cost Otto between US\$0.9-1.0 MM in total.

The Vick #1 well, which will be drilled within the Eaves Prospect in Lavaca County, Texas, has finished moving in rig and equipment and is currently 70% rigged up. Spudding of the well is expected imminently.

Please refer to the Otto ASX release dated 13 October 2021 for further information in relation to these prospects.



***This release is authorized by the Board of Otto.***

*“While disappointed in the results of the Schindler well, the prospect met all of our screening criteria and provided a low cost opportunity to test a potentially large structure. It provided significant information that will impact our ongoing evaluation of potential within this important trend. The fact that we had eleven (11) shows within the normally pressured and geopressed sections of this well gives us confidence in the presence of hydrocarbons throughout the trend. We look forward to the spudding of the Vick #1 well located within the Eaves prospect in Lavaca County Texas”*

Mike Utsler: Executive Chairman +61 8 6467 8800 <a href="mailto:info@ottoenergy.com">info@ottoenergy.com</a>	Investors: Mark Lindh Adelaide Equity Partners +61 (0) 414 551 361	Media: Michael Vaughan Fivemark Partners +61 (0) 422 602 720
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