

GULF COAST EXPLORATION WELL UPDATE

- Vick #1 well, within the Eaves Prospect in Lavaca County, has finished drilling, logging, and evaluation.
- The well has encountered gas/condensate pay in the shallower Yegua objective and gas/condensate pay across three separate sands in the Wilcox formation.
- As a result, the partners have approved and run production casing and preparations to complete the well as a producer in the Wilcox formation are underway.
- The well is estimated to commence production during early Q1 2022.

Otto Energy Limited (ASX: OEL) (**Otto** or the **Company**) is pleased to provide the following operational update in relation to the Vick #1 Wilcox exploration prospect that it is participating in, located onshore in Texas.

The Vick #1 well, in Lavaca County, Texas, operated by Forza Operating, LLC was drilled to a depth of 9,242' TVD on December 22nd, 2021 (US Central Standard Time (CST)) and subsequently has been logged and cored across multiple intervals.

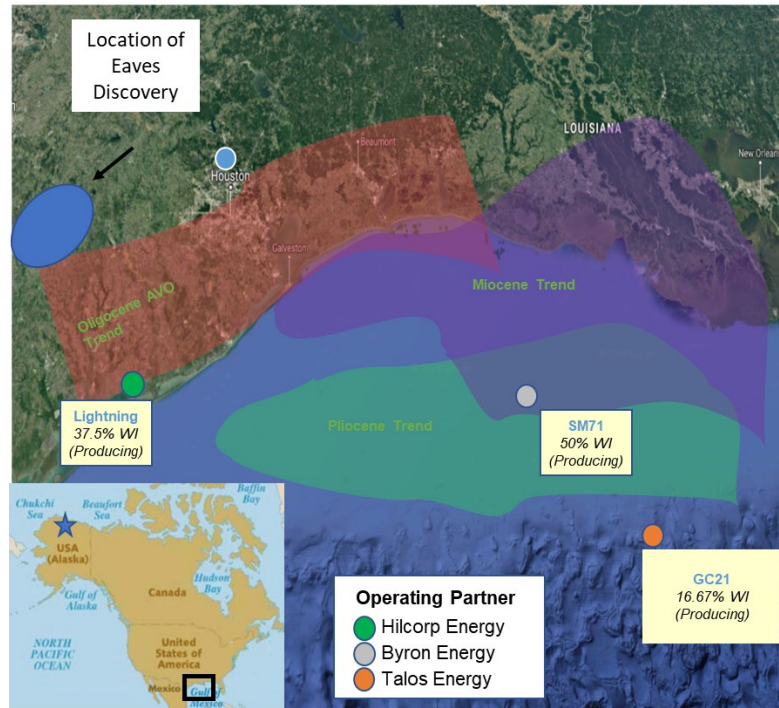
The well encountered a total of 12 feet of net pay in the shallower Yegua formation as expected. In the Wilcox sand targets, the well encountered 16 feet of net pay. The Wilcox was encountered across three separate sands as expected. The completion is expected to cost Otto US\$0.1 MM in total.

Eaves Prospect Summary

Operator	Forza
WI% / NRI%	10.3125% Working Interest / 7.734375% Net Revenue Interest in a 160 acre unit
Pre-Drill Success Case Volumetrics (8/8ths)	P90 1.4 Bcf & 7,100 bbl (Yegua Only) P50 2.5 Bcf & 12,500 bbl (Yegua and 1 Wilcox Sand) P10 9.9 Bcf & 92,500 bbl (Yegua and 3 Wilcox Sands)
Post Drill Volumetrics *	5 Bcf and 15,000 bbl Equivalent to P25 of pre-drill volumetric distribution.
Geological Objectives	Yegua and Wilcox

Area Of Mutual Interest	320 Acres
Location	Lavaca County, TX

* Completion results in Wilcox and subsequently the Yegua, will confirm ultimate productivity and recoverability.



This release is authorized by the Board of Otto.

Otto Energy Executive Chairman, Mike Utsler, commented: *“This is a satisfying result for Otto, as we are learning about the Wilcox play in this part of Texas. By taking part in wells like Vick #1 we continue to build important relationships with companies who have access to quality opportunities within this play type. We look forward to the completion of the Vick #1 well in the Wilcox formation and the well is expected to commence production during Q1 2022.”*

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Eaves Prospect (Vick #1 Well): Yegua and Wilcox

5 BCF and 15 Mbo



Eaves Prospect (Vick #1 Well) :

- 9200' Straight Hole – Normally Pressured Lavaca County, Texas
- Estimated Reserves = 5BCF x 15Mbbbl Cond
- Gross Expected IP: 1.5MMSCFD + 7.5BCPD

Subsurface Characterization: Struct/Strat

Yegua

- 75' High to production in Eaves #1, cum'd 0.7 BCF, water drive
- 50 acres of closure updip to well – 5-50' Thick

Wilcox A

- Updip to production – 5-20' Thick

Wilcox E

- Updip to production – 280 Ac updip of Eaves 1
- Channel sand on seismic: - 5-50' Thick

Costs: GS = \$1.619M (Otto Net = \$202K)

- Prospect Fee: \$170K (Otto Net = \$21K)
- Dry Hole Turnkey: \$728K (Otto Net = \$91K)
- Success Case Producer Cost: \$721K (Otto Net = \$90K)