

ASX ANNOUNCEMENT  
19 October 2020

## GREEN CANYON 21 “BULLEIT” FIELD COMMENCES PRODUCTION

- First oil and associated gas production from the Green Canyon 21 “Bulleit” Field commenced on 15 October 2020.
- Production of oil and gas from the field is being slowly increased during the initial 1-2 week period as part of a planned ramp up strategy
- GC 21 oil and gas flows via a subsea tieback to the GC 18 platform where it is processed and delivery into regional oil and gas sales pipelines
- Product sales are **secured** via long term production handling, transportation and sales arrangements
- Additional proven reserves exist in the discovered shallower DTR-10 sand which can be produced from the existing well bore

Otto Energy (“Otto”) (ASX: OEL) is pleased to provide a market update on the status of production for the Green Canyon 21 (GC 21) “Bulleit” field, operated by Talos Energy, Inc (“Talos”) (NYSE: TALO). The well produced first oil at approximately 0930 hrs US Central Time on October 15<sup>th</sup> 2020 from the MP reservoir interval and delivered first sales to the pipeline that afternoon.

Talos have a planned well production ramp up strategy where production will slowly be increased in 1000 bopd increments until the well reaches a steady state production rate. Otto will update the market when steady state production levels have been achieved.

During 2019 the GC 21 “Bulleit” well intersected the following high quality oil-bearing reservoir intervals:

- DTR-10 where a net 140 feet of TVD oil pay was encountered; and
- MP where a net 110 feet of TVD oil pay was encountered. This reservoir is expected to perform consistent with analogue wells in the GC18 field.

Otto Energy has a 16.67% Working Interest and 13.33% Net Revenue Interest in the GC 21 lease and project.

The project has been developed via a 10 mile subsea tieback to the Talos Operated GC 18 Whistler platform where production is being processed and then delivered into regional oil and gas sales pipelines.

Otto’s product sales from GC 21 are secured via long term production handling, transportation and sales arrangements.

Otto will continue to update the market on the production performance of the GC-21 field once steady state production levels have been reached as expected over the next several weeks.

Otto’s CEO and Managing Director, Mike Utsler, commented: *“The development and startup of the Bulleit Field is a significant milestone for Otto Energy and its shareholders. The field and its production form an important component of our robust base business in both the offshore and onshore Gulf of Mexico, where we now produce oil and gas from three excellent*

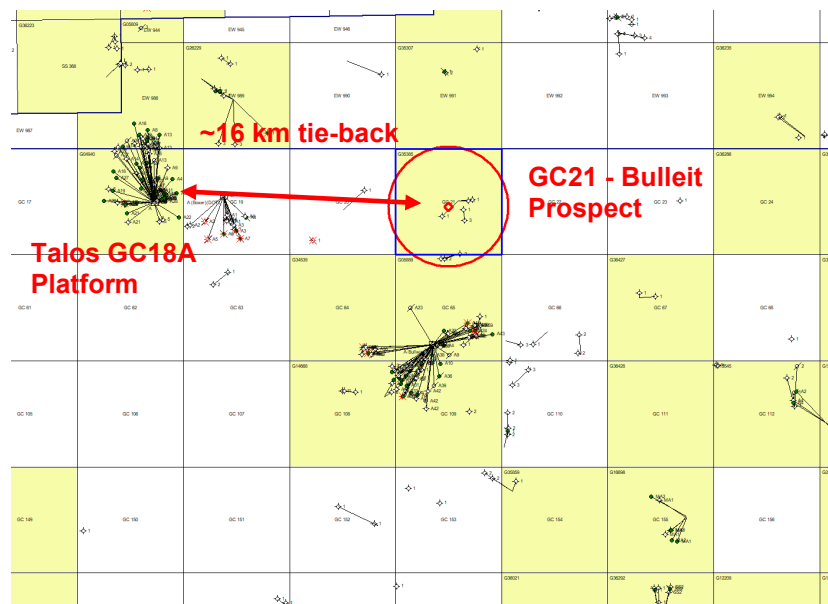
*fields.. We look forward to updating the market further as the well ramps up production to its expected steady state levels."*

This announcement is approved for release by the Company's Board of Directors.

Contact: Mike Utsler Managing Director & CEO <a href="mailto:info@ottoenergy.com">info@ottoenergy.com</a>	Investor Relations: Mark Lindh (Adelaide Equity)  +61 414 551 361
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### Bulleit, Green Canyon 21 Key Details

<b>Partners</b>		<b>Working Interest</b>	<b>Net Revenue Interest</b>
	Talos Energy (operator)	50.00%	40%
	EnVen Energy Ventures, LLC	33.33%	26.67%
	Otto Energy	16.67%	13.33%
<b>Geological Setting</b>	Pliocene age MP sand analogous to Green Canyon 18 field, which has produced approximately 39 MMboe to date.		
<b>Development Concept</b>	Approximately 10 mile/16 km subsea tieback to the Talos-operated GC 18A facility with connections into regional oil and gas sales pipelines.		



GC21 Development scenario map