

ASX ANNOUNCEMENT

11 September 2019

BOARD RENEWAL PROCESS IN SUPPORT OF US STRATEGY

The Board of Otto Energy Limited (ASX:OEL) ("Otto" or the "Company") wishes to advise of the following agreed changes to the Board as part of a renewal process in support of the US Gulf of Mexico strategy that the company is successfully implementing.

In 2019 Otto has successfully demonstrated the ability to deliver its strategic goal of 5,000 boepd production by the end of 2020. The Board has carefully considered the timing of a renewal process in line with the emerging delivery of this strategic goal and the future composition of the Board to support the next stage of Otto's strategy in the Gulf of Mexico.

Otto's Chairperson, Mr John Jetter, has confirmed to the Board, and the Board of Otto has agreed, that he will step down from the role of Chairperson at the coming Annual General Meeting of shareholders in November 2019. Mr Jetter will remain as a non-executive director and serve on the current Board Committees of which he is a member in order to oversee the seamless transition of the role of Chairperson and the successful delivery of Otto's Board renewal which has commenced under his guidance. Mr Jetter will not seek re-election at the Annual General Meeting in 2020.

Mr Ian Boserio has been nominated by the Board as Chairperson Elect to assume the role vacated at the 2019 Annual General Meeting by Mr Jetter. In the meantime Mr Boserio will assume the role of Deputy Chair. Mr Boserio brings to the role a wealth of oil and gas, strategy and management experience following a long career as a senior executive with Shell.

In addition, Otto's Non-Executive Director and Audit and Risk Committee Chairperson, Mr Ian Macliver, has advised the Board that he also will retire upon the appointment of a suitably qualified, independent non-executive director to assume the roles he currently occupies. A process has commenced to identify a candidate for this role and Mr Macliver has advised that he will retire from the Board of Otto Energy at the time his replacement is appointed, or at the latest by 30 June 2020.

The Board renewal process will be an ongoing focus of the Board to ensure that its composition reflects the nature of the business as it evolves from being primarily focused on exploration activities towards development and production activities.

The Board would like to acknowledge the significant personal contributions and long-term commitments that both Mr Jetter and Mr Macliver have made to the Board of Otto Energy.

Mr Jetter joined the Otto Board in December 2007 and was appointed Chairperson in November 2015. Mr Jetter has been part of the Board that successfully created significant shareholder value from Otto's business in the Philippines and was instrumental in the initiation and implementation of the strategic transition into the US. Mr Jetter joined Otto following a long career in investment banking with JP Morgan and brought his significant personal skills, energy and experience to the Board of Otto Energy.

Mr Macliver was involved in the public launch of Otto Energy in late 2004 and has contributed his specialist corporate advisory skills and advice to Otto throughout his time on the Board.

As part of the above transition, the composition of the Remuneration and Nomination Committee is now Mr John Jetter (Chair), Mr Ian Boserio (Chair elect) and Mr Paul Senycia. The composition of the Audit and Risk Management Committee remains the same.

Otto’s outgoing Chairperson, John Jetter, commented: *“It has been a personal and professional pleasure to work with the Otto Board and management over the last 12 years. I am delighted that the strategy which I helped initiate has proven to be a success. I wish the company, its management and the new Chairman much success, and I am very pleased that at least until the 2020 AGM I will be able to continue to assist the company with its continued growth.”*

Otto Chairperson Elect, Mr Ian Boserio commented *“The Board of Otto Energy would like to acknowledge and thank both Mr John Jetter and Mr Ian Macliver for their significant personal contributions to the Board throughout their long tenures and the ongoing support they will provide during the renewal period.*

“Both gentlemen have been instrumental in contributing to the establishment of Otto Energy as a highly successful junior oil and gas company through multiple phases of the business’s evolution. The Board look forward to continuing this work as Otto evolves and develops through the exciting next phases of the US Gulf of Mexico business growth.”

Further Information:

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