
OTTO ENERGY LIMITED

ACN 107 555 046

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 10:00 am (WST)

DATE: Wednesday, 16 November 2016

PLACE: CWA House, 1776 Hay Street, West Perth WA 6005

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on Monday, 14 November 2016.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2016 together with the declaration of the directors, the director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2016.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR WHERE RETIRES BY ROTATION – IAN MACLIVER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 13.2 of the Constitution, ASX Listing Rule 14.4 and for all other purposes, Mr Ian Macliver, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing

Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the issue of Equity Securities under this Resolution and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 4 – APPROVAL OF THE PERFORMANCE RIGHTS PLAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt the employee incentive scheme titled “Otto Energy Limited Performance Rights Plan” (**Performance Rights Plan**) and for the issue of securities under that Performance Rights Plan, on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any Director except one who is ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (A) a member of the Key Management Personnel; or
 - (B) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

6. RESOLUTION 5 – APPROVAL OF THE EMPLOYEE OPTION PLAN

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given for the Company to adopt the employee incentive scheme titled “Otto Energy Limited Employee Option Plan” (**Option Plan**) and for the issue of securities under that Option Plan, on the terms and conditions set out in the Explanatory Statement.”*

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any Director except one who is ineligible to participate in any employee incentive scheme in relation to the Company, and any associates of those Directors. However, the Company

need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition Statement:

A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:

- (a) the proxy is either:
 - (A) a member of the Key Management Personnel; or
 - (B) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
 - (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.
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Dated: 11 October 2016

By order of the Board



Neil Hackett
Company Secretary

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10:00am (WST) on Monday, 14 November 2016.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
 - any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.
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Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6467 8800.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2016 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.ottoenergy.com.

2. RESOLUTION 1– ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – IAN MACLIVER WHERE RETIRES BY ROTATION

ASX Listing Rule 14.4 provides that, other than a managing director, a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever is the longer.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Clause 13.2 of the Constitution provides that:

- (a) at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election;
- (b) The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots; and
- (c) A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election.

The Company currently has 4 Directors, including the Managing Director, and accordingly 1 must retire.

Ian Macliver, the Director longest in office since their last election, retires by rotation and seeks re-election.

A biography of Ian Macliver (first appointed as a Director 7 January 2004) is set out in the Company's annual financial report for the year ended 30 June 2016.

The Board has considered Mr Macliver's independence and considers that he is an independent Director.

The Board supports the re-election of Mr Macliver pursuant to Resolution 2 and is not aware of any other information that would be material to Shareholders' decision as to whether to re-elect Mr Macliver.

4. RESOLUTION 3 – APPROVAL OF 10% PLACEMENT CAPACITY

4.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

As at the date of this Notice, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$54,367,782 (based on the number of Shares on issue and the closing price of Shares on the ASX on 7 October 2016).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice, the Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code:OEL).

If Shareholders approve Resolution 3, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

Resolution 3 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

4.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 3:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or

- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in section 4.2(b), the date on which the Equity Securities are issued.

(b) **Date of Issue**

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) **Risk of voting dilution**

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the current market price of Shares and the current number of Equity Securities on issue as at the date of this Notice.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

| Number of Shares on Issue (Variable 'A' in ASX Listing Rule 7.1A2) | Dilution | | | |
|--|-------------------------|--|------------------------|---|
| | Issue Price (per Share) | \$0.023 50% decrease in Issue Price | \$0.046 Issue Price | \$0.092 50% increase in Issue Price |
| 1,181,908,323 (Current Variable A) | Shares issued | 118,190,832 Shares | 118,190,832 Shares | 118,190,832 Shares |
| | Funds raised | \$2,718,389 | \$5,436,778 | \$10,873,557 |
| 1,772,862,485 (50% increase in Variable A) | Shares issued | 177,286,248 Shares | 177,286,248 Shares | 177,286,248 Shares |
| | Funds raised | \$4,077,584 | \$8,155,167 | \$16,310,335 |
| 2,363,816,646 (100% increase in Variable A) | Shares issued | 236,381,665 Shares | 236,381,665 Shares | 236,381,665 Shares |
| | Funds raised | \$5,436,778 | \$10,873,557 | \$21,747,113 |

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 1,181,908,323 existing Shares as at the date of this Notice of Meeting.
2. The issue price set out above is the closing price of the Shares on the ASX on 21 September 2016.
3. The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
5. The issue of Equity Securities under the 10% Placement Capacity consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for the continued exploration expenditure on the Company's current assets, ongoing project administration and general working capital; or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments including previously announced acquisitions, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(e) **Allocation policy under the 10% Placement Capacity**

The Company's allocation policy for the issue of Equity Securities under the 10% Placement Capacity will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 25 November 2015 (**Previous Approval**).

The Company has not issued any Equity Securities pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 15 November 2015, the Company otherwise issued a total of 100,002 Shares which represents approximately 0.008% of the total diluted number of Equity Securities on issue in the Company on 15 November 2015, which was 1,181,808,321.

Further details of the issues of Equity Securities by the Company during the 12 month period preceding the date of the Meeting are set out in Schedule 1.

(g) **Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A**

When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it must give to ASX:

- (i) a list of the recipients of the Equity Securities and the number of Equity Securities issued to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

4.3 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 3.

5. RESOLUTION 4 – APPROVAL OF PERFORMANCE RIGHTS PLAN

The Board adopted the Otto Energy Limited Employee Performance Rights Plan on 21 September 2010 (**Performance Rights Plan**). The Performance Rights Plan was last approved by Shareholders at the Company's 2013 annual general meeting held on 14 November 2013. This approval will be effective for a period of 3 years from the date of the approval. Accordingly, Resolution 4 seeks Shareholders approval for the adoption of the Performance Rights Plan in accordance with ASX Listing Rule 7.2 (Exception 9(b)).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period. ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 4 is passed, the Company will be able to issue Performance Rights under the Performance Rights Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period.

The Company has issued 16,675,000 Performance Rights (as outlined below) under the Performance Rights Plan since it was last approved by Shareholders at the Company's Annual General Meeting on 14 November 2013:

| Number of Performance Rights issued | Currently Outstanding | Expiry date |
|-------------------------------------|---------------------------|------------------|
| 8,800,000 | 6,799,998 | 31 December 2018 |
| 6,475,000 | 6,475,000 | 31 December 2019 |
| 1,400,000 | 1,400,000 | 31 December 2019 |
| Total : 16,675,000 | Total : 14,674,998 | |

Any future issues of Performance Rights under the Performance Rights Plan to a related party or a person whose relation with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

A summary of the key terms and conditions of the Plan is set out in Schedule 2. In addition, a copy of the Plan is available for review by Shareholders at the registered office of the Company until the date of the Meeting. A copy of the Plan can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

The Performance Rights Plan is designed to incentivise employees and Directors of the Company and to attract, motivate and retain key employees. Under the Company's current circumstances, the Directors consider that the incentive represented by the grant of Performance Rights are a cost effective and efficient means for the Company to provide a reward and an incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation and will provide selected employees with the opportunity to participate in the future growth of the Company.

Shares issued pursuant to the exercise of the Performance Rights will rank pari passu in all respects with the existing Shares. Performance Rights will not be listed for quotation on ASX, however, the Company will make application for official quotation of Shares issued on the exercise of Performance Rights to ASX.

Outline of Performance Rights on issue as at the date of Notice of AGM are as follows:

Year ended 30 June 2016 – Performance rights:

| Measurement date | 1 February 2017 | 1 February 2018 | 1 February 2019 | 1 February 2017 | 1 February 2018 | 1 February 2019 | 1 February 2016 | 1 February 2017 | 1 February 2018 |
|----------------------------|-------------------------------|-------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Grant date | 14 August 2015 ⁽ⁱ⁾ | 14 August 2015 ⁽ⁱ⁾ | 14 August 2015 ⁽ⁱ⁾ | 23 April 2015 | 23 April 2015 | 23 April 2015 | 3 October 2014 | 3 October 2014 | 3 October 2014 |
| Expiry date | 31 December 2019 | 31 December 2019 | 31 December 2019 | 31 December 2019 | 31 December 2019 | 31 December 2019 | 31 December 2018 | 31 December 2018 | 31 December 2018 |
| Rights on issue | 466,667 | 466,667 | 466,666 | 2,158,336 | 2,158,334 | 2,158,330 | 2,200,002 | 2,299,998 | 2,299,998 |
| Share price at grant – A\$ | 0.06 | 0.06 | 0.06 | 0.11 | 0.11 | 0.11 | 0.09 | 0.09 | 0.09 |

(i) On 14 August 2015, the Group issued 1,400,000 Performance Rights to Commercial Manager Matthew Worner.

6. RESOLUTION 5 – APPROVAL OF THE EMPLOYEE OPTION PLAN

The Board adopted the Otto Energy Limited Employee Option Plan on 21 September 2010 (**Option Plan**). A summary of the terms of the Option Plan is set out in Schedule 3. Resolution 5 is a resolution which seeks Shareholder approval in accordance with Exception 9(b) of ASX Listing Rule 7.2 for the Company to issue securities under the Option Plan as an exception to ASX Listing Rule 7.1.

A summary of the operation of ASX Listing Rule 7.1 and Exception 9(b) of ASX Listing Rule 7.2 is set out above.

The Option Plan was last approved by Shareholders at the Company's 2013 annual general meeting held on 14 November 2013. In order to take advantage of the exemption from ASX Listing Rule 7.1 and allow the Company flexibility to issue securities, Shareholders are requested to refresh their approval of the issue of securities under the Option Plan pursuant to Exception 9(b) of ASX Listing Rule 7.2. This approval will be effective for a period of 3 years from the date of the Resolution.

The Company has issued no new Plan Options under the Option Plan since it was last approved by Shareholders at the Company's Annual General Meeting on 14 November 2013.

Outline of Options on issue as at the date of Notice of AGM are as follows:

| Number of Plan Options issued | Currently Outstanding | Exercise Price | Expiry date |
|--------------------------------------|------------------------------|-----------------------|--------------------|
| 8,000,000 | 8,000,000 | \$0.0549 | 3 December 2016 |
| Total: 8,000,000 | Total : 8,000,000 | | |

Any future issues of Plan Options under the Option Plan to a related party or a person whose relation with the company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

The Option Plan is designed to incentivise employees and Directors of the Company and its subsidiaries. Under the Company's current circumstances, the Directors consider that the incentive represented by the grant of Plan Options are a cost effective and efficient means for the Company to provide a reward and an incentive, as opposed to alternative forms of incentive, such as the payment of additional cash compensation.

If Plan Options are exercised, it will have the effect of increasing the Company's cash position by the amount of the exercise price multiplied by the number of Plan Options exercised. It will also increase the number of Shares that are on issue by the number of Plan Options exercised.

Shares issued pursuant to the exercise of the Plan Options will rank pari passu in all respects with the existing Shares. Plan Options will not be listed for quotation on ASX, however, the Company will make application for official quotation of Shares issued on the exercise of Plan Options to ASX.

GLOSSARY

10% Placement Capacity has the meaning given in section 5.1 of the Explanatory Statement.

\$ means Australian dollars.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Otto Energy Limited (ACN 107 555 046).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option Plan means the employee incentive scheme titled "Otto Energy Limited Employee Option Plan".

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Performance Rights means performance rights issued under the Performance Rights Plan.

Performance Rights Plan means the employee incentive scheme titled "Otto Energy Limited Performance Rights Plan".

Plan Options means options issued under the Option Plan.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2016.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the calculation in section 5.2 of the Explanatory Statement.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – ISSUES OF EQUITY SECURITIES SINCE 15 NOVEMBER 2015

| Date | Quantity | Class | Recipients | Issue price and discount to Market Price (if applicable) | Form of consideration |
|--|-----------------|---------------------|-------------------------------|---|---|
| Issue – 12 February 2016 Appendix 3B – 12 February 2016 | 100,002 | Shares ¹ | Holders of performance rights | No issue price (non-cash consideration) – vesting of performance rights | Consideration: performance based remuneration for service provide to the Company. Current value ² = \$4,800 |

Notes:

1. Fully paid ordinary shares in the capital of the Company, ASX Code: OEL (terms are set out in the Constitution).
2. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.048) on the ASX on 22 September 2016.

SCHEDULE 2 – TERMS AND CONDITIONS OF PERFORMANCE RIGHTS PLAN

A summary of the key terms of the Performance Rights Plan is set out below:

(a) **Eligibility:**

The Board may from time to time in its absolute discretion issue invitations to Eligible Persons to participate in the Performance Rights Plan.

(b) **Offers to Participate**

An offer (**Offer**) to Eligible Persons to participate in the Performance Rights Plan must set out:

- (i) the date of the Offer;
- (ii) the name of the Eligible Person to whom the Offer is made;
- (iii) the number of Performance Rights which are capable of vesting (resulting in the issue of Shares) if specific performance conditions are met;
- (iv) the performance conditions and performance period in relation to the Performance Rights;
- (v) the approximate date or dates on which the performance conditions are to be measured (in respect of the Performance Rights) in order to determine whether the Eligible Person will be issued with Shares;
- (vi) the expiry date;
- (vii) whether any restrictions on transfer will be imposed by the Board on some or all of the Shares issued or transferred to the participant under the Performance Rights Plan; and
- (viii) the time period in which the Eligible Person may accept the Offer.

(c) **Participation**

The Board retains complete discretion to make offers of Performance Rights to any Eligible Person.

(d) **Nature of Performance Rights**

A Performance Right is a right to receive a Share on the terms set out in the Performance Rights Plan subject to satisfaction of the applicable performance conditions over the relevant performance period. The performance period, performance conditions and test dates for measuring the performance conditions may be determined by the Board from time to time, and shall be set out in the Offer to the Eligible Person.

(e) **Vesting:**

Performances Rights may vest in the following ways:

- (i) if the applicable performance conditions in relation to a performance period are met as at the relevant test date as set out in the Offer, the

Board will determine the number of Performance Rights which will become vested Performance Rights; and

- (ii) in the event a takeover bid for the Company is declared unconditional, there is a change in control event (being an event where a shareholder or a group of associated shareholders gain the ability to control more than 50% of the voting power in the Company, or become entitled to sufficient Shares to give it or them the ability in general meeting to replace all or a majority of the Board), or if a merger by way of scheme of arrangement has been approved by a court.

(f) **Cessation of employment**

Unless otherwise determined by the Board:

- (i) if an Eligible Person ceases to be an Eligible Person because of retirement, redundancy, death or total and permanent disablement, the Board will determine the extent to which unvested Performance Rights held by the Eligible Person shall vest and the Eligible Person may exercise vested performance rights within 6 months or such longer period as the Board may determine;
- (ii) if an Eligible Person ceases to be an Eligible Person for any reason other than retirement, redundancy, death or total and permanent disablement, unvested Performance Rights shall automatically lapse;
- (iii) if an Eligible Person ceases to be an Eligible Person because of retirement, redundancy, death or total and permanent disablement, any vested Performance Rights held by the Eligible Person shall continue to be able to be exercised at any time prior to the expiry date; and
- (iv) if an Eligible Person ceases to be an Eligible Person for any reason other than retirement, redundancy, death or total and permanent disablement, vested Performance Rights may be exercised within 1 month or such longer period as the Board may determine.

(g) **Lapse of Performance Rights**

A Performance Right lapses on the earlier of:

- (i) where performance conditions have not been satisfied on the test date and the Board determines that the Performance Right lapses, the date of the determination;
- (ii) if an Eligible Person ceases to be an Eligible Person because of retirement, redundancy, death or total and permanent disablement, the date of lapse referred to above;
- (iii) if an Eligible Person ceases to be an Eligible Person for any reason other than retirement, redundancy, death or total and permanent disablement, the date of lapse referred to above;
- (iv) if the opinion of the Board the Eligible Person acts fraudulently or dishonestly or is in material breach of his or her obligations to the Company and the Board determines that the Eligible Person's Performance Rights will lapse, the date of the determination;

- (v) if an Eligible Person has not exercised Performance Rights which have vested because of a takeover, change in control event or scheme of arrangement by the time specified by the Board, that date; and
- (vi) the expiry date.

(h) **Restriction on Transfer of Performance Rights**

Except on the death of an Eligible Person, Performance Rights may not be transferred, assigned or novated except with the approval of the Board.

(i) **Issue Limitations**

A Performance Right may not be issued if, immediately following its issue, the Shares to be received on exercise of the Performance Right when aggregated with:

- (i) the number of Shares which would be issued were each outstanding offer or Performance Right, being an offer made or Performance Right acquired pursuant to the Performance Rights Plan or any other employee shares scheme extended only to employees or Directors; and
- (ii) the number of Shares issued in the previous 5 years pursuant to the Performance Rights Plan or any other employee share scheme extended only to employees or directors of the Company or an associated body corporate,

but disregarding any offer made, or Performance Right acquired or Share issued by way of or as a result of:

- (i) an offer to a person situated at the time of receipt of the offer outside Australia; or
- (ii) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or
- (iii) an offer made under a disclosure document,

exceeds 5% of the total number of issued shares in that share class of the Company at the time the Performance Right is offered.

(j) **Reorganisation of Capital**

In the event of any reorganisation of the issued capital of the Company, the number of Performance Rights to which each Eligible Person is entitled or the exercise price of his or her Performance Rights or both will be reorganised in accordance with the provisions of the ASX Listing Rules.

(k) **Amendment of Performance Rights Plan**

Subject to the Listing Rules, the Board retains the discretion to amend the rules of the Performance Rights Plan or to terminate it at any time.

SCHEDULE 3 – SUMMARY OF OPTION PLAN

A summary of the terms and conditions of the Option Plan is set out below. The full terms and conditions of the Option Plan may be obtained free of charge by contacting the Company.

(a) **Maximum Number of Plan Options**

A Plan Option may not be issued if, immediately following its issue, the Shares to be received on exercise of the Plan Option when aggregated with:

- (i) the number of Shares which would be issued were each outstanding offer or Plan Option, being an offer made or Plan Option acquired pursuant to the Option Plan or any other employee shares scheme extended only to employees or Directors; and
- (ii) the number of Shares issued in the previous 5 years pursuant to the Option Plan or any other employee share scheme extended only to employees or directors of the Company or an associated body corporate,

but disregarding any offer made, or Plan Option acquired or Share issued by way of or as a result of:

- (i) an offer to a person situated at the time of receipt of the offer outside Australia; or
- (ii) an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or
- (iii) an offer made under a disclosure document,

exceeds 5% of the total number of issued shares in that share class of the Company at the time the Plan Option is offered.

(b) **Eligible Persons**

Full time and part time employees, and directors of the Company or an associated body corporate (**Eligible Persons**).

(c) **Grant of Plan Options**

- (i) All Eligible Persons who the Directors may determine, in their absolute discretion without having to assign reasons therefore, are entitled to participate in the Option Plan by being granted Plan Options.
- (ii) Directors or their associates may only participate in the Option Plan with the prior approval of Shareholders.

(d) **Issue Price of Plan Options**

Plan Options may be issued to Eligible Persons for no consideration, or at a price determined by the Board.

(e) **Entitlement**

Each Plan Option entitles the holder (subject to the terms of the Plan Option and the Option Plan) to subscribe for one Share. Shares issued upon the exercise of Plan Options will rank equally with all of the then existing Shares.

(f) **Exercise Price**

The exercise price of each Plan Option shall be determined by the Directors, having regard to:

- (i) the weighted average closing sale price of the Shares recorded on ASX over the 5 trading days immediately preceding the day on which the board resolves to offer the Plan Options; or
- (ii) in circumstances where there has been no trading in the Shares during the days specified in i) the last sale price of the Shares as recorded on ASX.

(g) **Exercise of Plan Options**

- (i) A Plan Option may only be exercised after the Plan Option has vested in the holder, and on or before the expiry date determined by the Directors (Expiry Date).
- (ii) The Expiry Date will be determined by the Directors prior to the offer of the Plan Options but in any event will be no longer than 5 years from the date of grant.
- (iii) The Directors may grant Plan Options subject to exercise conditions (such as performance criteria) which must be satisfied before the Plan Options may vest and be exercised.

(h) **Restriction on Transfer of Plan Options**

An Eligible Person may not sell, transfer or otherwise dispose of Plan Options unless the Board in its absolute discretion approves otherwise.

(i) **Lapse of Plan Options**

- (i) Plan Options not validly exercised on or before the Expiry Date will automatically lapse.
- (ii) If an Eligible Person ceases to be an Eligible Person because of retirement, total and permanent disablement, redundancy or death, any unvested Plan Options held by the Eligible Person will lapse on the date 3 months after the date of retirement, redundancy, death or total and permanent disablement (as applicable), or such longer period as the Board may determine. If an Eligible Person ceases to be an Eligible Person for any other reason, any unvested Plan Options held by the Eligible Person will automatically lapse.
- (iii) Unless otherwise determined by the Board, if an Eligible Person ceases to be an Eligible Person because of retirement, total and permanent disablement, redundancy or death, any vested Plan Options held by the Eligible Person will continue to be able to be exercised at any time prior to the Expiry Date. If an Eligible Person ceases to be an Eligible Person for any other reason, any vested Plan Options held by the Eligible

Person will lapse within 1 month or such longer period as the Board may determine.

(j) **Quotation and Allotment of Plan Options and Shares**

- (i) Plan Options issued under the Option Plan will not be quoted on ASX, however, the Company will make application for official quotation of all Shares issued upon the exercise of the Plan Options.
- (ii) Upon exercise, the Company shall allot the Shares and deliver the Share certificates to the Plan Option Holder within 10 business days of the exercise of the Plan Option.

(k) **Change of Control**

Notwithstanding any restrictions on transfer of Plan Options, Eligible Persons shall be entitled to exercise all Plan Options:

- (i) during the bid period of a takeover offer;
- (ii) at any time after a change of control event has occurred (being when a shareholder, or a group of associated shareholders, become entitled to sufficient Shares to give it or them the ability in general meeting to replace all or a majority of the Board); or
- (iii) if a court orders a meeting to be held in respect of a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company.

(l) **Future Issues of Shares**

Holders of Plan Options will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Plan Options. However, the Company will give notice of any new issue of securities before the record date for determining entitlements to the new issue, to allow holders of Plan Options an opportunity to exercise the Plan Options prior to the record date.

If the Company makes a bonus issue of Shares to Shareholders (**Bonus Issue**), each Eligible Person holding Plan Options at the record date for determining entitlements to the Bonus Issue shall be entitled to have issued to them, upon the exercise of those Plan Options, that number of Shares which would have been issued to them under the Bonus Issue had they exercised the Plan Options prior to the record date for determining entitlements for the Bonus Issue.

(m) **Reorganisation of Capital**

In the event of any reorganisation of the issued capital of the Company, the number of Plan Options to which each Eligible Person is entitled or the exercise price of his or her Plan Options or both will be reorganised in accordance with the provisions of the ASX Listing Rules.

(n) **Amendment of the Option Plan**

Subject to certain exceptions, the Board may alter, delete or add to the Option Plan at any time.

(o) **Power of the Board of Directors**

The Option Plan is administered by the Directors, who have general powers to administer, terminate or suspend the plan.

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Otto Energy Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

ALL ENQUIRIES TO
Telephone: +61 1300 554 474

PROXY FORM

I/We being a member(s) of Otto Energy Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting *(mark box)*

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (WST) on Wednesday, 16 November 2016 at CWA House, 1776 Hay Street, West Perth WA 6005 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolutions 1, 4 and 5: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1, 4 and 5, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

STEP 2

Resolutions

| | For | Against | Abstain* | | For | Against | Abstain* |
|--|--------------------------|--------------------------|--------------------------|--|--------------------------|--------------------------|--------------------------|
| 1 Adoption of Remuneration Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 5 Approval of the Employee Option Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Re-election of Director where retires by rotation – Ian Macliver | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 3 Approval of 10% Placement Capacity | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 4 Approval of the Performance Rights Plan | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

Securityholder 1 (Individual)

Joint Securityholder 2 (Individual)

Joint Securityholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3



HOW TO COMPLETE THIS SECURITYHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a securityholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's security registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's security registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (WST) on Monday, 14 November 2016**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MAIL

Otto Energy Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**