



Australasian Energy Pacesetters 2010

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Exploration Manager

Disclaimer

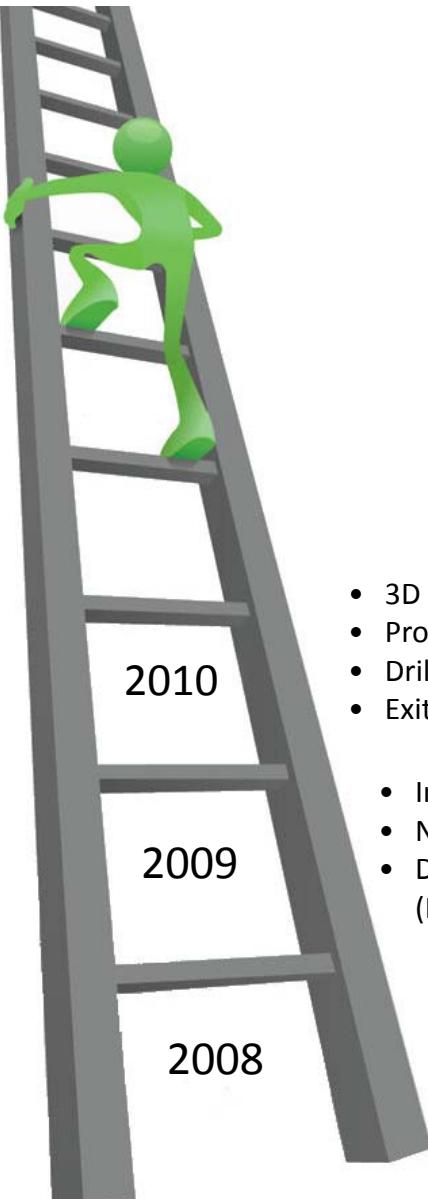
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Otto's steps to success



- Completed Galoc development – commenced production
- Drilled 4 wells in Turkey
- Award of Santa Rosa, Argentina
- Award of SC69, Philippines
 - Second discovery in Turkey: Arpaci
 - Further 2D seismic in Turkey
 - Acquired 100% of NorAsian
 - 2D seismic in SC55 over Marantao
- 2D seismic in Turkey
- Acquired 50% of NorAsian (entering SC50, 51 & 55), Philippines
- Farmed in Santa Rosa block, Argentina
- Drilled first well in Turkey (discovery Bati Umur)
- Farmed in 3 licences on shore: Thrace Basin, Turkey (80%)
- Listed 20 December 2004 as Ottoman Energy (OEL)

Otto's steps to success



- 3D seismic in SC 55 – 600 km² and 1,800 km²
- Produced 5 million barrels from Galoc oil field
- Drilled 7 further discovery wells in Turkey
- Exited Italy
- 2D seismic in SC69 – 900 km
- First gas for Turkey achieved in April 2010
- SC55 contract extension by 880 km²
- Increased interest in Galoc field by 0.49%
- New CEO and CFO appointed
- Drilled 3 successful wells in Turkey
(Kirmizihoyuk-1, Ikihoyuk-2, Kuzey Ikihoyuk-1)
- Drilled dry wells in Argentina and Italy – exited Argentina
- Completed Galoc development – commenced production
- Drilled 4 wells in Turkey
- Award of Santa Rosa, Argentina
- Award of SC69, Philippines

Company Overview – Asset Base



	Details
Galoc Oil Field Philippines	<ul style="list-style-type: none"> • 18.78% indirect interest • First Oil - October 2008 • 5.1 million bbls (gross) produced to date • Current production rate ~8,500 bopd • Phase 2 development evaluation ongoing
Edirne Gas Project, Turkey	<ul style="list-style-type: none"> • 35% interest • Otto's second producing asset start-up 8 April 2010 • Produced 655 Mscf gross in 2Q 2010 • Exploration targeting additional volumes for gas plant • Ongoing development activity in permit
Philippines Exploration	<ul style="list-style-type: none"> • Large and highly prospective acreage-> 20,000km² • High working interest 70-85% • SC55 – 600 + 1,800km² 3D seismic programs completed • Seismic acquisition & farm in option agreement • SC69 – 900km of 2D seismic completed

Board and Management



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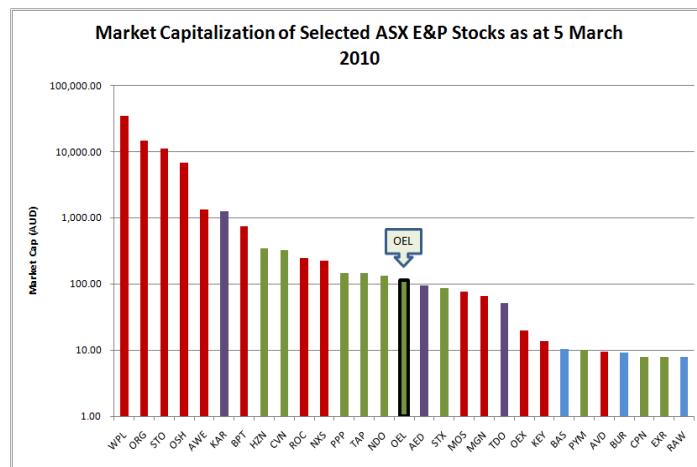


CFO
MATT ALLEN
B.Bus, CA, F.Fin

Capital Structure

Capital Structure

Fully paid ordinary shares	1,134.5m
Unlisted options ¹	54.75m
Market capitalisation ²	\$97m
Cash (at 30 June 2010)	\$24.4m
Debt (at 30 June 2010)	Nil



Notes

1. Exercisable at prices between 12 and 60 cents per share.
2. Undiluted at 8.5 cents per share at 23 July 2010

Shareholders

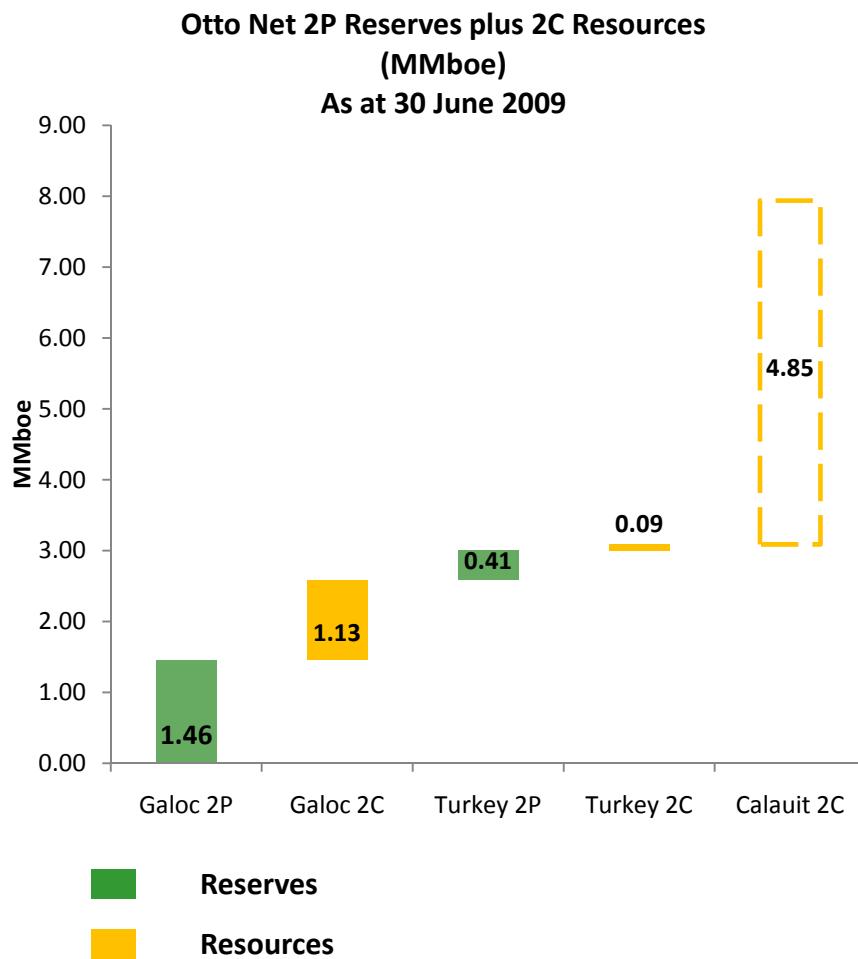
Molton Holdings	21.3%
Santo Holdings	21.3%
Directors	5.6%
Shareholders	~3,720

Price Volume History



Reserves, Resources and Exploration

Developing Reserves And Resources



Prospect And Lead Inventory

Licence	Working Interest	Area (km ²)	Prospects/Leads
Philippines			
SC14C (Galoc)	18.78% ¹	163	3
SC50 (Calauit)	85%	1,280	8
SC51	80%	3,320	11
SC55	85%	9,880	16
SC69	70%	7,040	12
Turkey			
Edirne	35%	481	13

Notes

1. Economic interest

Galoc Oil Field – Production Performance

Interest

- 18.8% indirect interest in Galoc Oil Project
- Held through 31.4% shareholding in GPC
- Operator - Galoc Production Company (GPC)

Production

- Current rate ~8,500 bopd (gross)
- Uptime has improved to 100% in June 2010 quarter

Revenue

- Last cargo sold US\$80/bbl (May 2010)

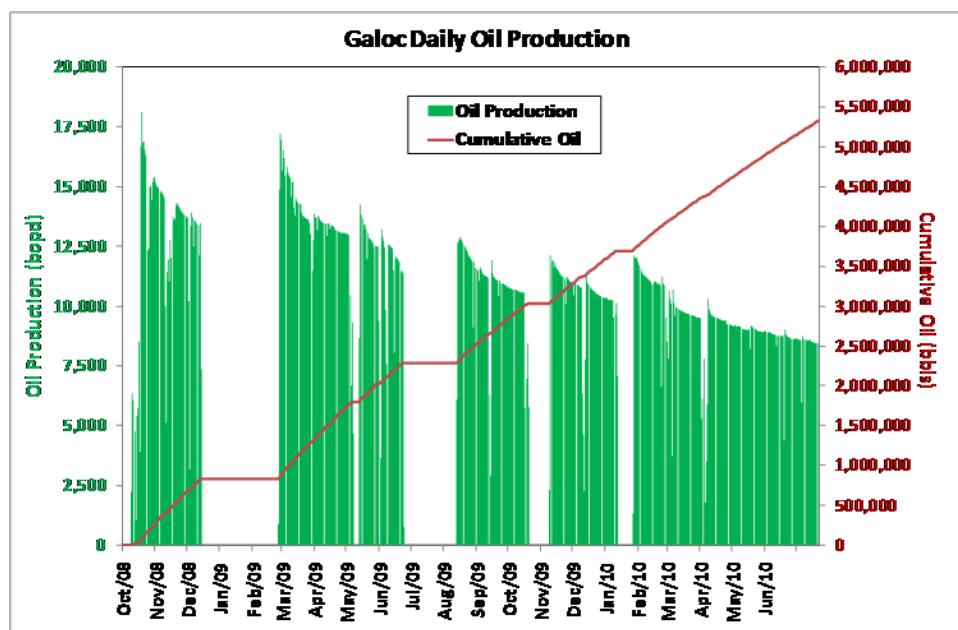
Costs

- Opex US\$16/bbl
- Phase 1 Capex US\$13/bbl

Phase 2

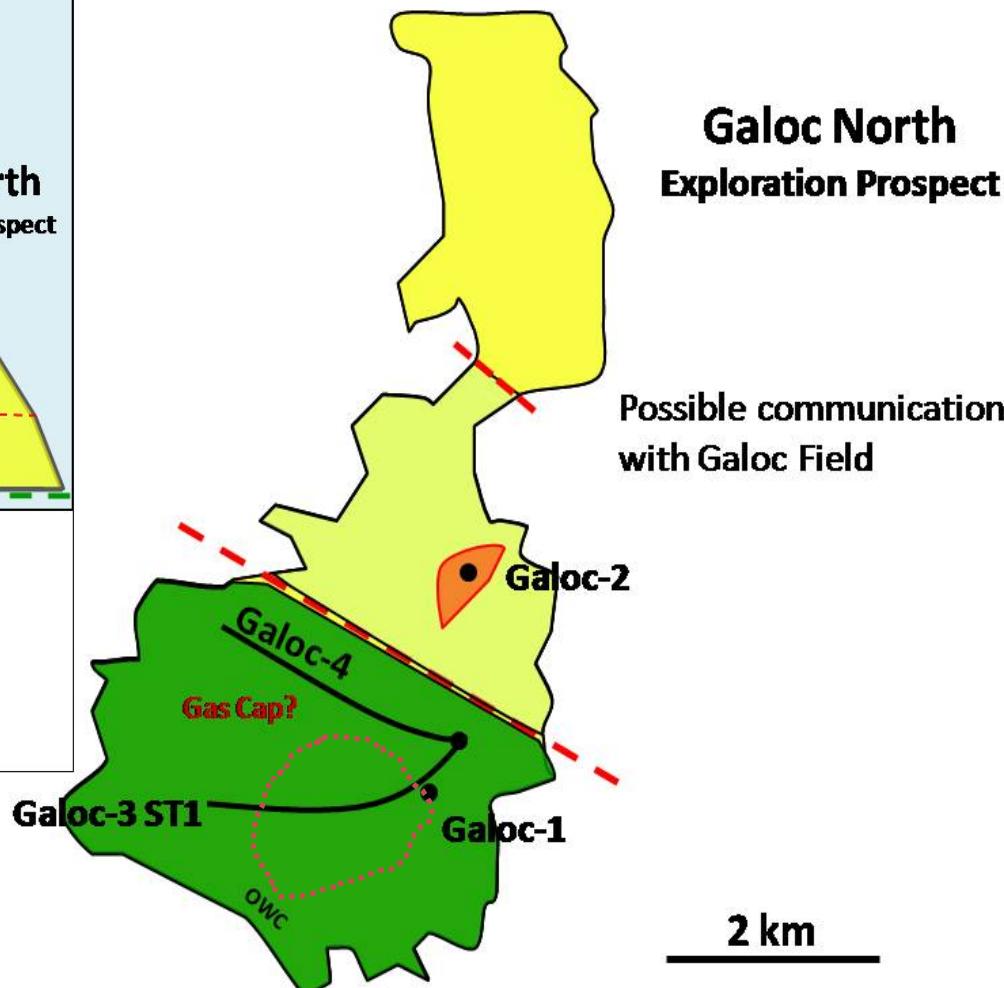
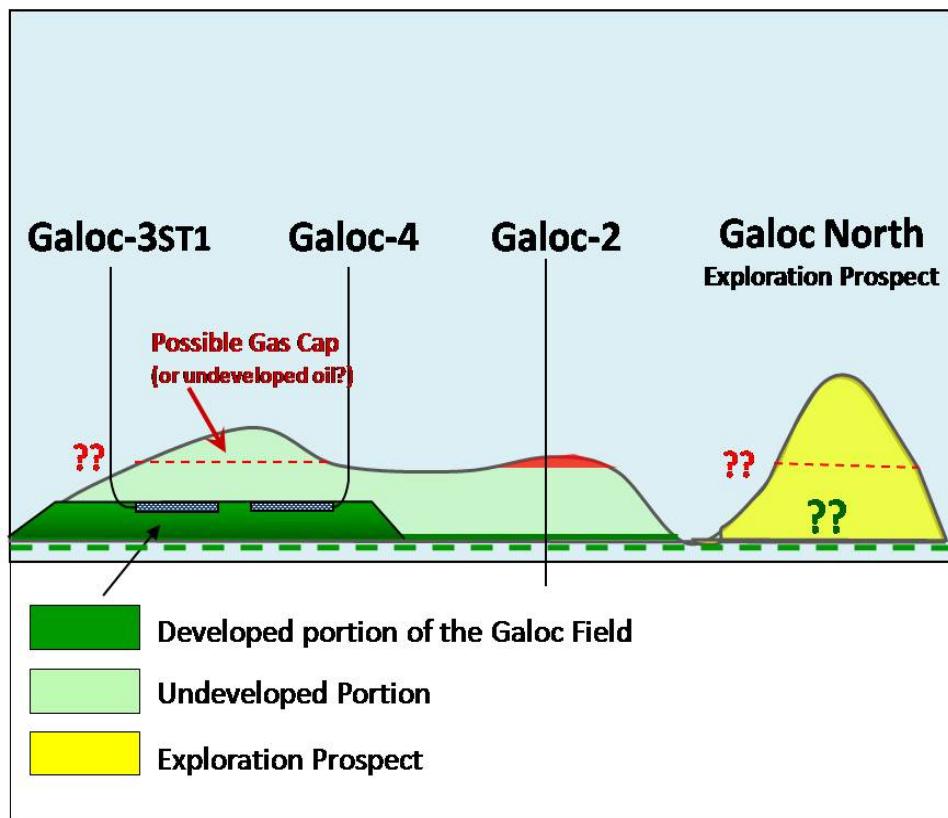
- Phase 2 evaluation ongoing
- Potentially involves 1 or 2 new wells and mooring system upgrade
- Investment decision expected in 2H 2010

Gross Daily Oil Production



Galoc Oil Field	2Q 2010	1Q 2010
Production (net to Otto)	149,642 bbls	144,102 bbls
Liftings (net to Otto)	192,902 bbls	121,646 bbls
Cash receipts from GPC	US\$5.805m	US\$10.512 m

Galoc Oil Field – Development Options



Edirne Gas Fields – Second Producing Asset

Technical/Operational

- First sales gas produced 8 April 2010
- Production of 655 Mscf gross in 2Q 2010 (229 Mscf net to Otto)
- Average realised price US\$7.40 per mscf
- Ongoing work programme includes:
 - Additional perforations of existing production wells,
 - Connection into the infrastructure of the recent discoveries, and
 - Likely installation of wellhead compression at several field locations



Phase 2 Exploration/Appraisal drilling

- Seven well drilling campaign ongoing.
- 7 discoveries to date

Edirne Gas Fields	2Q 2010	1Q 2010
Production (net to Otto)	229 Mscf	0 Mscf
Revenue	US\$1.673m	US\$0.0m



Philippines Exploration

Major Upside Potential Across Multiple Licences

Permit	Description	Otto Working Interest
SC55	Deepwater Palawan	85%
SC51	East Visayan basin	80%
SC69	East Visayan basin	70%
SC14C	Galoc block	18.8%
SC50	Calauit NW Palawan	85%



Philippines Exploration: SC55

Interest

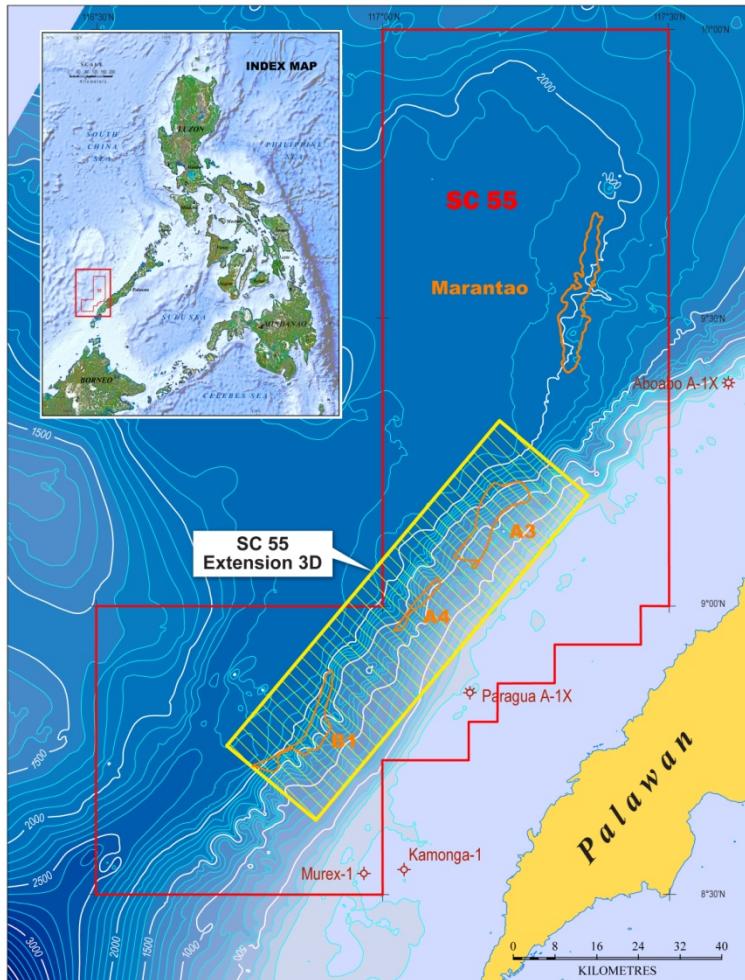
- 85% working interest

Exploration Program

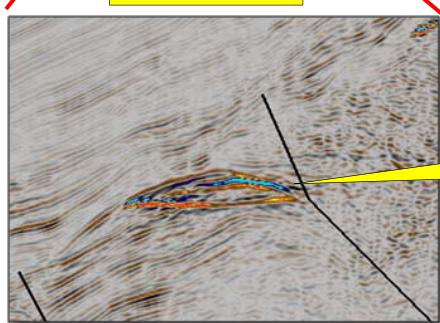
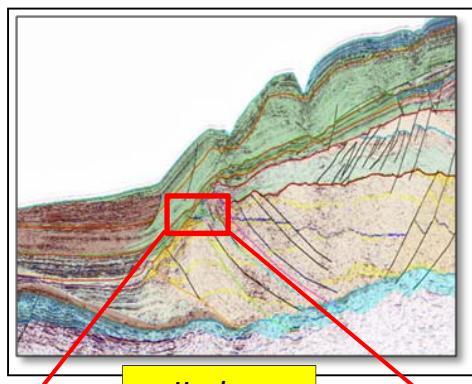
- 600 km² of 3D seismic acquired Jan 2010, over Hawkeye prospect
- Seismic acquisition & farm in option agreement
- 1,800 km² 3D seismic program completed
- Processing and interpretation of both surveys during 2010
- DOE approved revisions to work plan and budget in April 2010



SC55 Prospects And Leads



Hawkeye Lead and NW Borneo Trend



Possible GOC ~2800 mSS
~25 km²

Lowest Closing Contour
Possible OWC ~2880 mSS
~38 km²

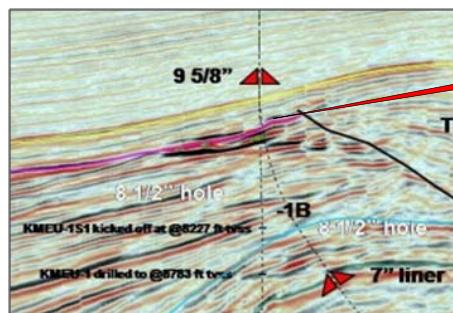
Upside
Possible OWC ~3000 mSS
~59 km²

Hawkeye

Hawkeye (Otto)
20-600 MMbbls
Potential Resource
POS 10%

SC56 (Exxon-Mobil)
Dabakan-1 2009
?Oil Discovery
(DOE Pre-drill 750 MMbbls)

Analogue – Kamansu Field



Kerbangan (C-P) 2.2 Tcf

Kamansu (Shell) 2.2 Tcf

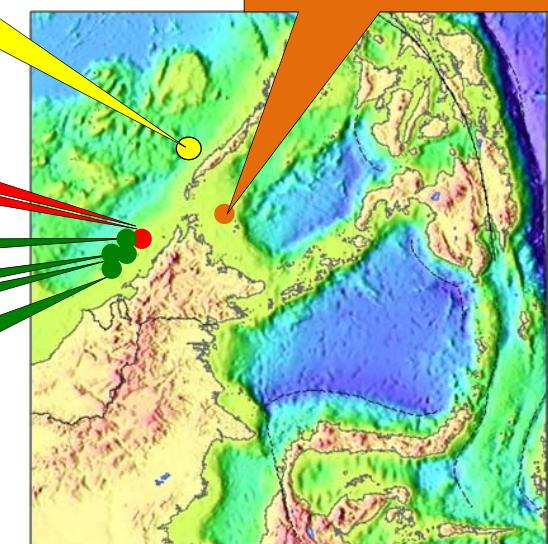
Ubah (Shell) 215 MMboe

Malikai (Shell) 108 MMboe

Gumusut/Kakap (Shell) 620 MMboe

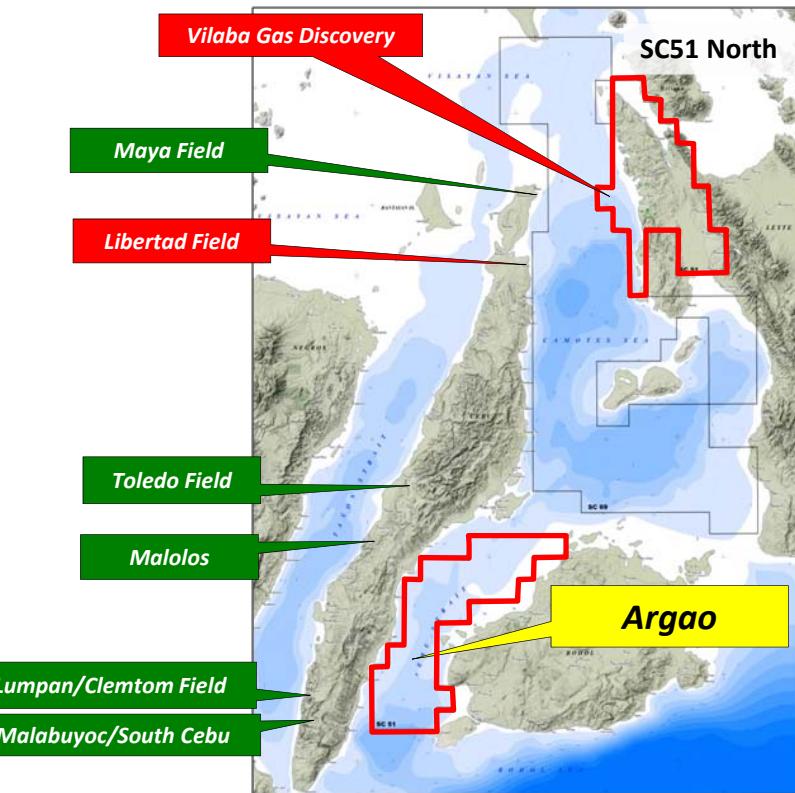
Kikeh (Murphy) 536 MMboe

Resource Source: Innovation Norway



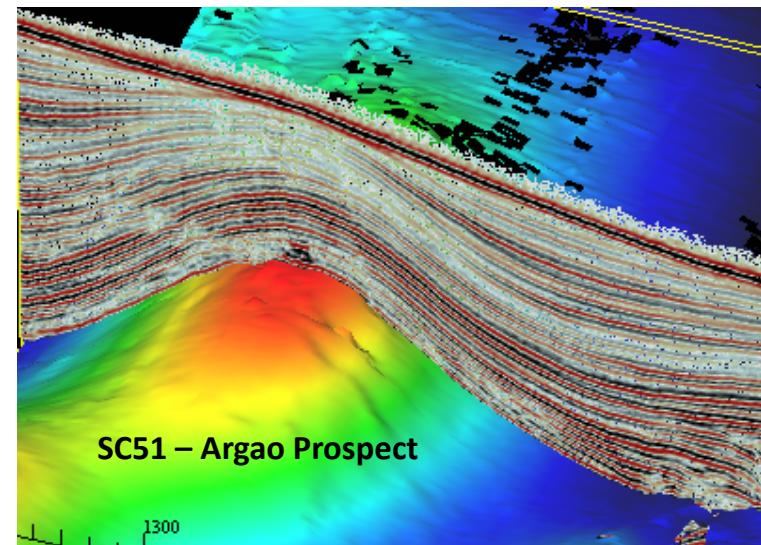
Philippines Exploration: SC51

SC51 Prospects and Leads

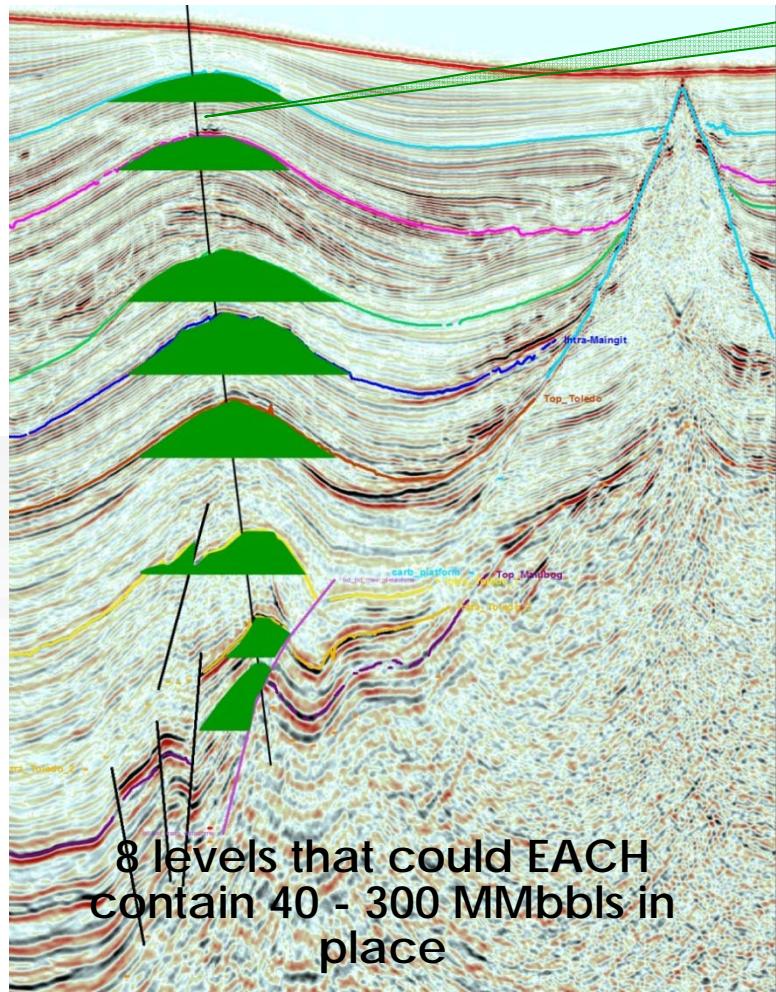


SC51

- 80% working interest
- Argao Prospect in 230m water
- 3D recorded in 2007
- Drill-ready prospects
- Targetting 100 mmbls POS +/- 20%
- Seeking partners for drilling

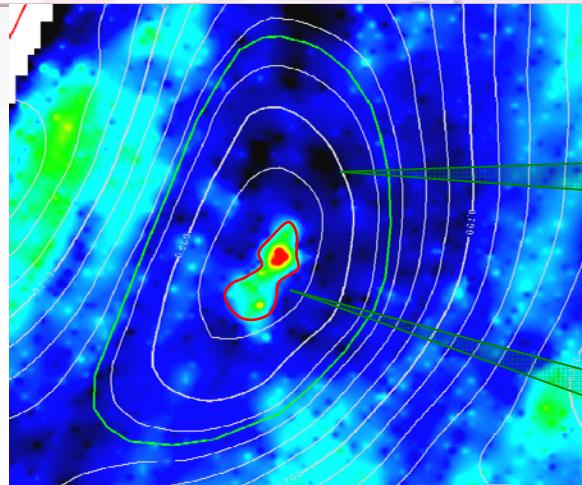
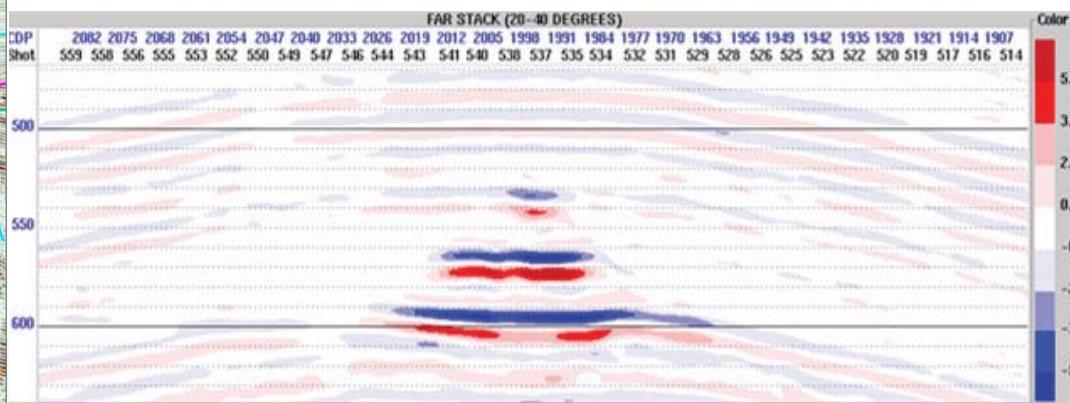


SC51 South: The Argao Prospect...targeting 100 MMbbls



E-W SECTION OVER ARGAO

DHI's Suggest Gas cap

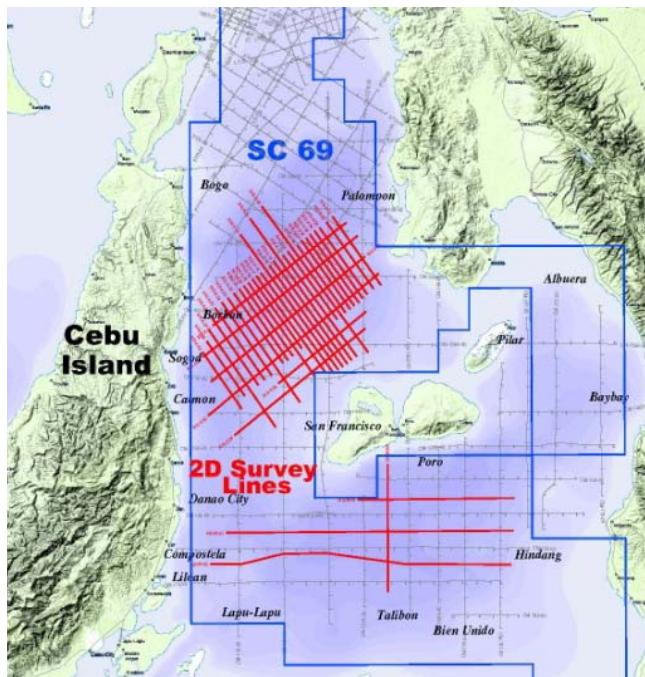


Gas Cap

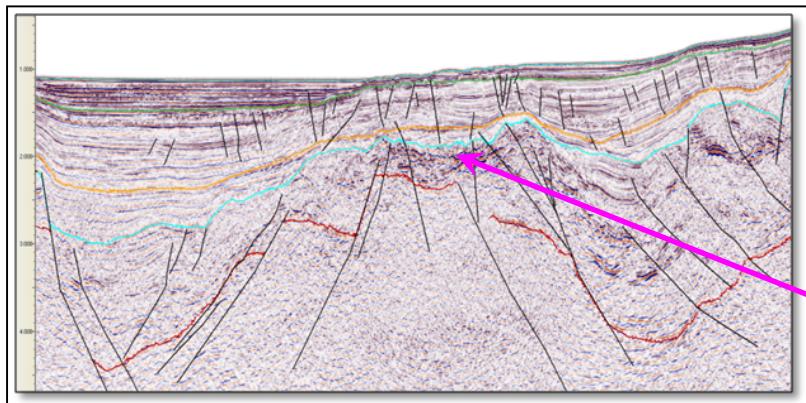
Philippines Exploration: SC69

SC69

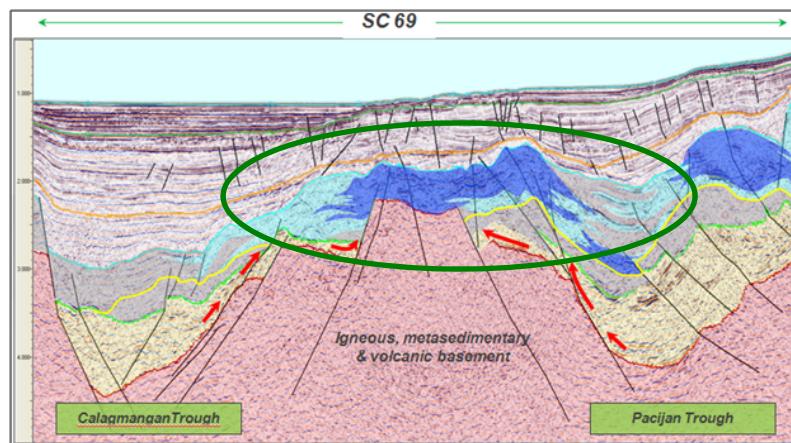
- 70% working interest
- Proven petroleum system
- Large reef structures
- Significant Information, Education and Communication campaign with DOE and local communities
- 2D seismic acquisition (900 line kms) completed Mar 2010
- Numerous leads < 800m water



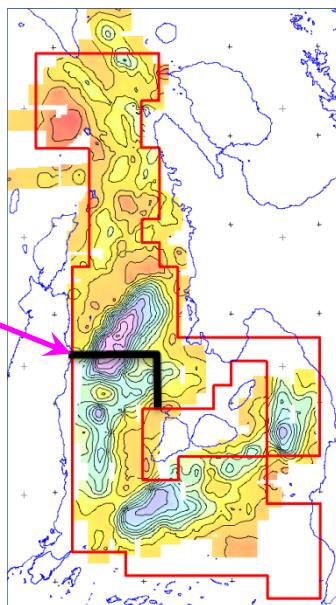
SC69 Numerous Plays in the East Visayan Basin



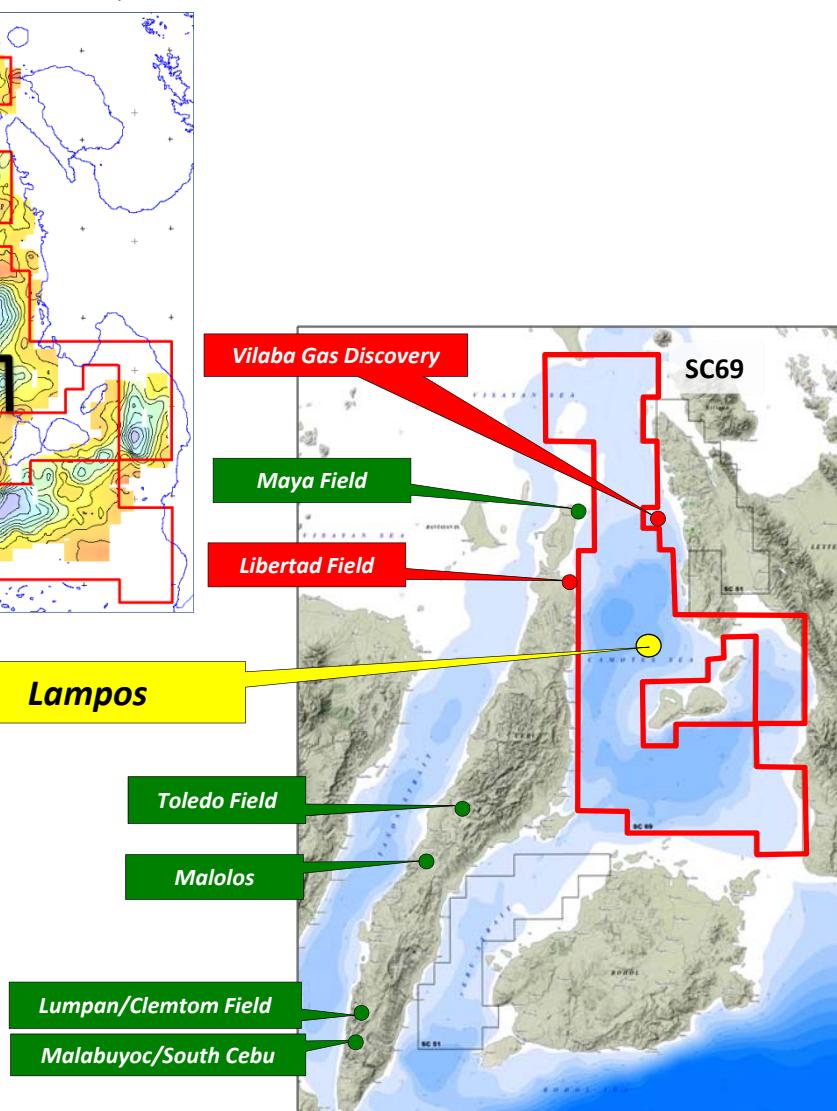
Lampos



*Top Carbonate (Barili)
Depth Structure Map*



Lampos



Production in 2010

- Galoc 0.4 mmbbls (net)
- Turkey ~ 1.3 Bcf (0.23 mmboe) (net)

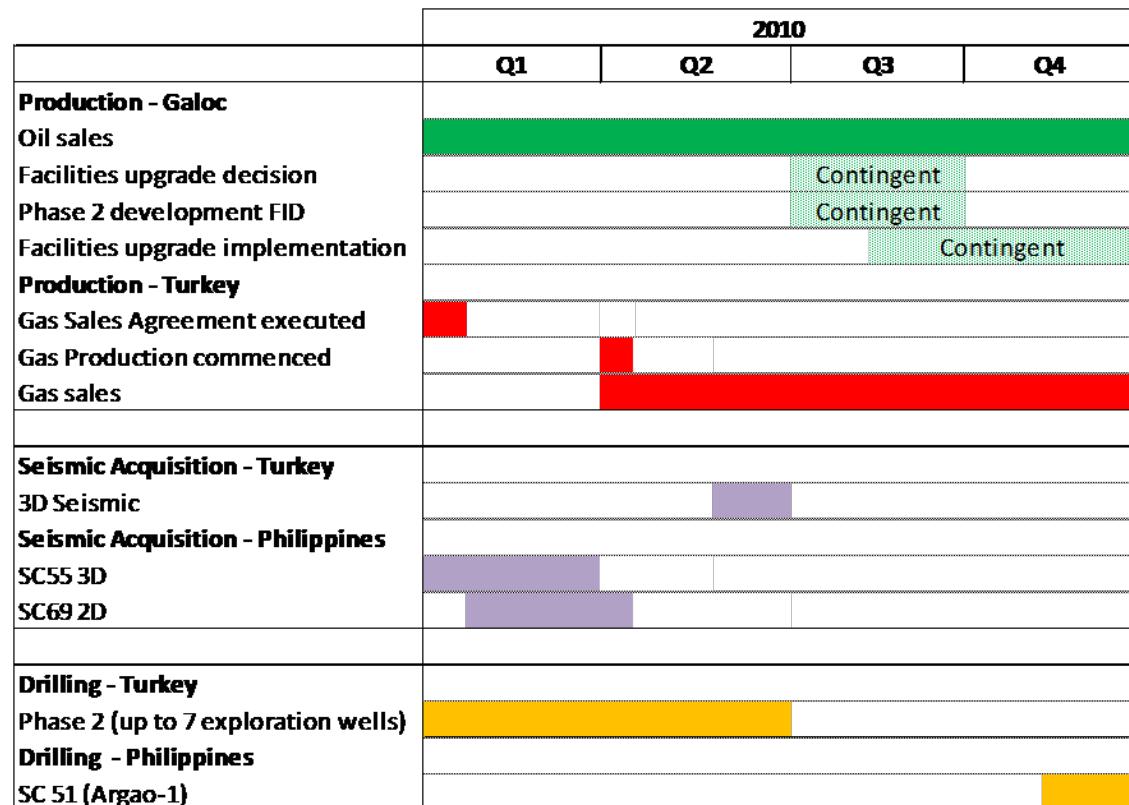
Development

- Galoc production upgrade
- Commit to Galoc Phase 2

Exploration + static resources

- Turkey Phase 2 exploration
- Philippines farm downs
- Philippines seismic

Forward Activities



Strategic focus:

- **Production:**
 - Maximise value from Galoc oil project
 - Commercial production delivered from Edirne gas project
- **Development:**
 - Explore/appraise in and near field to extend production in Galoc and Edirne projects
 - Consider possible expansion at Edirne project
- **Exploration + Business Development:**
 - Execute Philippine farm-down and exploration program
 - Actively pursue value adding new business opportunities

Characterised by:

- Strong cash-flow from Galoc asset
- Revenue from Edirne gas project
- Exposure to high impact exploration acreage
- Cost effective business with tightened geographic focus.
- Project execution with technical and commercial “bench strength”