

ANNUAL GENERAL MEETING

CHAIRMAN'S ADDRESS

Dear Shareholders,

This past fiscal year has seen a critical period of change in the world, as well as for Otto Energy.

The continuing challenges and uncertainties experienced in the face of COVID-19 have resulted in dramatic shifts within the energy sector in terms of demand for, pricing of and expectations around actions to reduce the impacts on our industry.

At Otto Energy, we have put tremendous efforts into stabilizing, simplifying and positioning the Company, as well as optimizing efficiencies that will enable us to continue to grow greater value. It has been a year that compelled a rethink about our purpose, ambition for the future and, importantly, resetting the strategy that will guide us there.

Otto's response to this challenging backdrop has driven:

- the establishment of a clear and structured strategy
- realizing year-on-year production improvements (increase of 17%)
- taking actions to reduce operational and structural costs (62% reduction in field lifting costs per boe, and 28% reduction in non-field lifting costs per boe)
- making operational improvements across the entire business
- increasing transparency and rigour in the performance management of our business
- a focus on how we can commercialise the potential for growth

It is clear our resilience can be further strengthened by:

- continuing to prioritise cash flow generation – operating net investing (increase of 122%)
- constantly challenging costs
- maintaining disciplined capital management and technical due diligence
- building greater brand recognition and broadening our investor base

Underscoring the events of the past year has been a growing confidence in the development and execution of our refreshed strategy. It represents the right roadmap for Otto Energy to position itself to deliver

greater value going forward for all stakeholders.

We are clear in our purpose to deliver low cost, high value energy that meets consumer needs. Otto is equally focused on its goal of being a preferred energy partner, now and in coming years.

We look to the future with determination and resolve. I extend my sincere gratitude to Otto's leadership team and all those who have showed such commitment in helping to achieve the necessary changes, through these very testing times.

I also wish to recognize the contribution and wise counsel of my fellow board members. On behalf of the Board, I thank our shareholders for their support and continuing endorsement of our plans.

I look forward to sharing Otto's continued progress, as we stride ahead.

Mike Utsler
Executive Chairman

This release is approved by the Board of Otto Energy Limited.

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About Otto Energy:

Otto is an ASX-listed oil and gas exploration and production company with a focus on the broader Gulf of Mexico region in North America. Otto has ownership interests in three significant production assets (SM-71, Lightning and GC-21) as well as an active exploration and appraisal program.