



16 April 2012

Manager of Company Announcements
ASX Limited
Level 6, 20 Bridge Street
SYDNEY NSW 2000

By E-Lodgement

Highlights:

- **REQUEST TO PHILIPPINES' DEPARTMENT OF ENERGY FOR EXTENSION OF SERVICE CONTRACT 55 SUB-PHASE 4**

Otto Energy Ltd (ASX:OEL) advises that BHP Billiton (ASX:BHP), as operator of Philippines Service Contract 55 (SC55), has requested that the Department of Energy (DOE) extend the current Exploration Sub-Phase 4 of SC55 by 18 months. If approved by the DOE, this would extend the current contractual deadline to complete drilling of the commitment well from 5th August 2012 to 5th February 2014.

BHP Billiton has requested this extension in order to secure an appropriate ultra deepwater rig with specialised well control equipment that will promote safe drilling operations on the proposed Cinco prospect. Availability of such rigs is currently limited and has been considered in the duration of the requested extension. The requested extension also is expected to provide time for post-well analysis prior to commitment to any subsequent Sub-Phase.

No specific date for commencement of drilling operations in SC55 can be given until a rig has been secured, however Otto maintains its longstanding view that SC55 holds significant hydrocarbon potential and the company looks forward to seeing the drilling programme executed as soon as is safely possible. Further updates to shareholders will be provided as progress is made.

The working interests in Service Contract 55 are:

Otto Energy (through wholly owned subsidiary NorAsian Energy Ltd)	33.18%
BHP Billiton Petroleum (Philippines) Corporation	60.00%
Trans-Asia Oil and Energy Development Corporation	6.82%

Yours faithfully

Gregor McNab
Chief Executive Officer

OTTO AT A GLANCE

- ASX-listed oil and gas company with significant growth potential.
- Production from Galoc Oil Field provides cash flow.
- High impact offshore exploration program in SC55 in 2012.
- Opportunity rich with substantial exploration prospects and leads in Palawan and Visayan basins.

COMPANY OFFICERS

Rick Crabb	Chairman
Ian Macliver	Director
Rufino Bomasang	Director
John Jetter	Director
Ian Boserio	Director
Gregor McNab	CEO
Matthew Allen	CFO/Coy Secretary



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