



ASX ANNOUNCEMENT

13 August 2009

Galoc Field Resumes Production

Otto Energy Limited (ASX: OEL) has received confirmation from field operator, the Galoc Production Company WLL (GPC), that production at the Galoc Oil Field recommenced at 08.30hrs (local time) today.

After initial flush production it is anticipated that daily throughput will stabilise at pre-shut down levels of 11,000 barrels of oil per day.

Please refer to the attached GPC press release for more information.

Otto owns 31.38% of GPC, which holds 59.84% working interest in the licence, giving Otto 18.77% indirect interest in the project. The Galoc Oil Field is located in Service Contract 14C1 off the west coast of Palawan in the Philippines.

Yours faithfully,

Paul Moore
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.
- Phase I exploration drilling in Turkey completed.
- Development of gas field in Turkey to become second revenue- generating asset.
- Opportunity rich with substantial exploration prospects and leads in portfolio.
- Upcoming events including production revenues, farm-outs, and exploration drilling to offer value creation for investors.

COMPANY OFFICERS

Rick Crabb	Chairman
Jaap Poll	Non exec Dir
Ian Macliver	Non exec Dir
Rufino Bomasang	Non exec Dir
John Jetter	Non exec Dir
Paul Moore	CEO
Emma McCormack	Comp Secretary

INVESTOR / MEDIA INQUIRIES:

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Galoc Field – Back on Production

GPC is pleased to confirm that production at the Galoc Oil Field re-commenced at 08:30hrs today following the reconnection of the Mooring & Riser System (M&RS) to the FPSO Rubicon Intrepid. The original disconnection, which occurred in late June 2009, was due to adverse weather conditions associated with Tropical Storm NANGKA (Feria). Following the disconnection the riser subsequently sustained damage, which required the replacement of one of its 30metre long sections. This work was undertaken on location by the FPSO operator Rubicon Offshore International using their own work class vessel Rubicon Maverick. Completion of the work was delayed due to continuing poor weather experienced in the Galoc Field area over the last two months, which restricted the subsea work activities.

After initial flush production it is anticipated that daily throughput will stabilize at pre-shut down levels of 11,000 b.o.d.

Additional Notes

General Information

The Galoc field is located in Service Contract SC14-C (Galoc Sub Block) in 290m of water approximately 65km north west of Palawan in the Republic of the Philippines. The development involved the construction of two subsea completed horizontal production wells, with extended reservoir contacts, tied back to a Floating Production Storage and Offloading (“FPSO”) facility via a short seabed pipeline and mid water riser system. Most likely oil reserves as estimated at time of commitment to the development in 2006, is approximately 10 million barrels. The reserves estimate and requirement for additional wells and facility capacity will be reassessed following an analysis of results from initial field production performance.

The participating interests in the Galoc Field are as follows:

Participant	Participating Interest %
Galoc Production Company W.L.L. ¹ (Operator)	59.84473
Nido Petroleum Philippines Pty Ltd	22.87952
Oriental Petroleum & Minerals Corporation/ Linapacan Oil Gas & Power Corporation	7.78505
The Philodrill Corporation	7.21495
Forum Energy Philippines Corporation	2.27575

Galoc Production Company is owned by;

Vitol Group	68.6%
Otto Energy Limited	31.4%

Further information on GPC and the Galoc Field can be obtained from:

- GPC’s website www.galoc.com
- via email, at enquiry@galoc.com
- or by contacting
 - Jax Mariano
Tel: +63 918 9109581