



27 January 2010

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

By E-Lodgement

DRILLING UPDATE – KUMLUK-1, EDIRNE LICENCE, TURKEY

Otto Energy Limited (ASX: OEL) advises that the Kumluk-1 exploration well reached a total depth of 550 metres (m). After logging of this well, net pay of a total of 9m over three intervals was interpreted. These results are in line with pre-drill estimates. This continues the 100% exploration drill success that Otto has experienced in our Edirne licence area.

The well has been cased and cemented as a potential future production well.

The Operator is preparing to move to the next well location and anticipates spudding the Kartal-1 well during next week, depending upon prevalent weather conditions.

Yours faithfully

Paul Moore
Chief Executive Officer

Contact:

All enquiries are to be addressed to Matthew Allen, Chief Financial Officer on +61 8 6467 8800 or email info@ottoenergy.com

OTTO AT A GLANCE

- ASX-listed oil and gas company with significant growth potential.
- Production from Galoc Oil Field provides cash flow.
- Development of gas field in Turkey to become second revenue-generating asset.
- Opportunity rich with substantial exploration prospects and leads in portfolio.

COMPANY OFFICERS

Rick Crabb	Chairman
Jaap Poll	Director
Ian Macliver	Director
Rufino Bomasang	Director
John Jetter	Director
Paul Moore	CEO
Matthew Allen	CFO
Emma McCormack	Company Secretary