FY26 FINANCIAL RESULTS

Otto Energy Limited (ASX:OEL) (**Otto** or the **Company**) is pleased to provide its financial results for the fiscal year ended 30 June 2026.

COMMENT FROM CHIEF EXECUTIVE OFFICER, MR CHRIS DORROS

"FY2026 was a year of delivery for Otto. We set out to maximise production from our assets, hold controllable costs down and convert that performance into cash for shareholders, and we delivered on each. Low-cost production enhancement initiatives with our operating partners held oil volumes flat across a portfolio of mature fields even as gas volumes and prices weakened; downtime was much reduced; and overheads fell for a third year. With a stronger oil price, net operating cash flow rose to US$8.1 million from US$1.2 million, with no capital or exploration expenditure. We ended the year debt-free with US$23.2 million in cash.

Our top strategic priority is to return capital to shareholders. We are progressing our assessment of the form and timing of a return of surplus cash. In parallel, we are evaluating whether a monetisation or other form of divestiture of our Gulf of America assets yields the best return for shareholders with the Board of the strong view that this will only occur where it results in a superior outcome for shareholders in recognising the intrinsic value of those assets to the Company. In the meantime, those assets continue to deliver through a sustained period of strong oil prices. We look forward to updating shareholders on the progress of these initiatives in due course."

Financial Highlights

- **Net operating revenue of US$15.2 million** (FY25: US$15.6 million), a 2% decrease, with flat oil production and higher average oil prices offset by lower natural gas production and realised prices.
- **Net operating cash flow of US$8.1 million** (FY25: US$1.2 million), with no exploration expenditure during the year (FY25: US$6.7 million).
- **Adjusted EBITDA of US$6.9 million** (FY25: US$7.4 million), reflecting 2% lower net operating revenue and 4% higher gathering and production charges. Exploration and impairment are

excluded from Adjusted EBITDA. *See Appendix 1 for further information on EBITDA and Adjusted EBITDA.*

- **Net profit after tax of US$4.1 million** (FY25: US$0.7 million).
- **Currency hedging.** In May 2026, Otto entered into a forward exchange contract to convert US$10 million to Australian dollars at AUD/USD 0.7162, expiring on 31 August 2026. The contract provides currency diversification in anticipation of a potential return of funds to shareholders in accordance with the Company's strategy, and for general corporate purposes.

Further Enhanced Liquidity

- **Cash of US$23.2 million at balance date** (FY25: US$14.9 million), including US$2.9 million of restricted cash held pending receipt of withholding tax exemption certificates from the US Internal Revenue Service, which allow cash to be repatriated from the US to Australia free of US withholding tax. The certificates were received after balance date and the US$2.9 million is no longer restricted.
- **Debt-free**, with no capital expenditure during the year.

Operational Performance

- **Production of 1,266 boe/d at 54% liquids** (FY25: 1,447 boe/d at 49% liquids). The year-on-year decline came almost entirely from gas; oil volumes were essentially flat at 202,603 bbls (FY25: 204,215 bbls).
- **Downtime much reduced**, reflecting a quiet hurricane season in the Gulf of America and operational improvements at the SM 71 compression facilities.
- **Low-cost production interventions** with operating partners: debottlenecking and improved gas lift at SM 71 held oil volumes flat year-on-year; choke changes at GC 21 increased oil volumes; and rapid intervention stabilised production from the Lightning Green 2 well following increased water production.
- **Overheads reduced** for a third consecutive year, with net administrative costs down 8% to US$2.6 million (FY25: US$2.9 million).

The table below summarises the Company's production, working interest (WI) revenue and prices received during the fiscal years ended 30 June 2026 and 2025.

	FY 2026	FY 2025	% Change
Total Oil (Bbls)	202,603	204,215	-1%
Total Gas (Mcf)	1,280,098	1,625,697	-21%
Total NGLs (Bbls)	46,135	53,052	-13%
Total BOE	462,088	528,216	-13%
Total (Boe/d)	1,266	1,447	-13%
Percent Liquids (%)	54%	49%	11%
Total WI Revenue (US$MM)	$ 19.45	$ 19.61	-1%
Oil revenue ($millions)	$ 14.3	$ 13.8	3%
Avg oil price ($/Bbl)	$ 70.35	$ 67.53	4%
Gas revenue ($millions)	$ 4.2	$ 4.5	-8%
Avg gas price ($/Mmbtu)	$ 2.65	$ 2.70	-2%
NGL revenue ($millions)	$ 1.0	$ 1.3	-21%
Avg NGL price ($/Bbl)	$ 22.09	$ 24.17	-9%
Total revenue ($millions)	$ 19.4	$ 19.6	-1%
Avg WA price ($/Boe)	$ 42.08	$ 37.12	13%

Strategy and Governance

- Philip Trajanovich resigned as Acting Chief Executive Officer effective 12 July 2025 and Chris Dorros was appointed Chief Executive Officer 25 August 2025.
- In June 2026, the Company initiated a formal process to evaluate the potential sale of its Gulf of America oil and gas assets, comprising working interests in the South Marsh Island 71 (SM 71) oil field and the Green Canyon 21 (GC 21) deepwater oil well. As announced on 10 September 2026, the process did not result in an actionable opportunity to monetise the assets as a combined package. The Company's monetisation efforts now focus primarily on SM 71, while alternative strategies are evaluated for GC 21. It is important for shareholders to note that the sale or divestiture of those assets is subject to the Board being satisfied that their intrinsic value is achieved, which is not currently reflected in the Company's market capitalization.
- The return of surplus cash to shareholders remains the Company's top strategic priority. With year-end cash of US$23.2 million and no debt, the Board is progressing its assessment of the form and timing of a distribution and will update the market in due course.

This release is approved by the Board of Otto.

Chris Dorros Chief Executive Officer +61 8 6467 8800 info@ottoenergy.com	**Investors:** Matt Worner Vector Advisors +61 (0) 429 522 924

OTTO AT A GLANCE

Otto is an ASX-listed oil and gas exploration and production company focused on the Gulf of America region. Otto currently has production from its SM 71, GC 21, Mosquito Bay West and Oyster Bayou South fields in the Gulf of America and production from its Lightning assets in onshore Texas. Cashflow from its producing assets underpins its strategy and financial stability.

DIRECTORS
Justin Clyne – Non-Executive Chairman
Paul Senycia – Non-Executive Deputy Chairman
Geoff Page– Non-Executive Director

CHIEF EXECUTIVE OFFICER
Chris Dorros

CHIEF FINANCIAL OFFICER
Julie Dunmore

ASX Code: OEL

COMPANY SECRETARY
Kaitlin Smith (AE Advisors Group)

CONTACTS
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INVESTOR RELATIONS
Matt Worner (Vector Advisors)
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Definitions

- "$m" means USD millions of dollars
- "bbl" means barrel
- "bbls" means barrels
- "bopd" means barrels of oil per day
- "Mbbl" means thousand barrels
- "Mscf" means 1000 standard cubic feet
- "NGLs" means natural gas liquids
- "ORRI" means overriding royalty interest
- "Mboe" means thousand barrels of oil equivalent ("boe") with a boe determined using a ratio of 6,000 cubic feet of natural gas to one barrel of oil – 6:1 conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency
- "MMscf" means million standard cubic feet
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- "MMbtu" means million British thermal units

Appendix 1 - Reconciliation of non-IFRS financial information

Where indicated, this announcement also contains some non-IFRS financial information, including in the FY2026 Highlights. Below is a reconciliation of non-IFRS financial information to audited IFRS financial information. EBITDAX (earnings before interest, tax, depreciation, depletion, exploration and evaluation), EBITDA (earnings before interest, tax, depreciation, and depletion) and EBIT (earnings before interest and tax) are non IFRS measures that are presented to provide investors with further information and perspective on the overall financial performance and operations of the Company. The non-IFRS financial information is unaudited, however the numbers have been extracted from the audited financial statements. The audited Financial Report accompanies this summary release and is available on the Otto Energy website at www.ottoenergy.com. Please refer to the audited financial statements for the IFRS financial information.

	US$(000)		*$/Boe*	
	30 June 2026	**30 June 2025**	**30 June 2026**	**30 June 2025**
Operating revenue, net of royalties	15,215	15,562	32.93	29.46
Gathering and production charges (opex)	(5,367)	(5,180)	(11.61)	(9.81)
Cash Operating Gross Profit	**9,848**	**10,382**	**21.31**	**19.65**
Gain/(loss) on derivatives	(342)	(95)	(0.74)	(0.18)
Net admin costs (G&A) *	(2,626)	(2,855)	(5.68)	(5.40)
Gain/(loss) on property, plant and equipment	(4)	-	(0.01)	-
Impairment losses	(771)	1,027	(1.67)	1.94
EBITDAX	**6,105**	**8,459**	**13.21**	**16.01**
Exploration expenditures	-	(6,661)	-	(12.61)
EBITDA	**6,105**	**1,798**	**13.21**	**3.40**
Amortisation of capitalised developments	(2,079)	(1,925)	(4.50)	(3.64)
Depreciation - admin	(1)	(3)	(0.00)	(0.01)
EBIT	**4,025**	**(130)**	**8.71**	**(0.25)**
Finance (costs)/income	335	977	0.72	1.85
Net income (loss) before tax from continuing operations	**4,360**	**847**	**9.44**	**1.60**
Tax	(227)	(107)	(0.49)	(0.20)
Net income (loss) after tax from continuing operations	**4,133**	**740**	**8.94**	**1.40**
* Net admin costs (G&A) includes:			-	-
employee benefits	(1,426)	(1,399)	(3.09)	(2.65)
corporate costs	(1,243)	(950)	(2.69)	(1.80)
FX gain/(loss)	43	(506)	0.09	(0.96)
Net admin costs (G&A)	**(2,626)**	**(2,855)**	**(5.68)**	**(5.40)**
Adjusted EBITDA **	**6,876**	**7,432**	**14.88**	**14.07**

** Adjusted EBITDA are EBITDA above, less impairment and exploration adjustment

Otto Energy Limited

Financial Report

For the year ended 30 June 202c

FINANCIAL REPORT 2026
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Annual General Meeting

The Annual General Meeting of Otto Energy Limited will be held as a physical meeting on 13 November 2026. Further details will be provided in the Company's notice of Annual General Meeting.

CORPORATE DIRECTORY

Directors	Mr Justin Clyne – Non-Executive Chairman Mr Paul Senycia – Non-Executive Deputy Chairman Mr Geoff Page – Non-Executive Director
Company Secretary	Ms Kaitlin Smith
Key Executives	Mr Chris Dorros – Chief Executive Officer Ms Julie Dunmore – Chief Financial Officer
Principal registered office in Australia	Level 12, 50 Pirie St Adelaide SA 5000 Tel: + 61 8 6467 8800 Fax: + 61 8 6467 8801
Houston Registered Office	440 Louisiana St, Suite 900 Houston, TX 77002 Tel: +1 713-893-8894
Share Registry	Link Market Services Limited Level 12 QV1 Building 250 St Georges Terrace Perth WA 6000 Tel: + 61 8 9211 6670 Fax: + 61 2 9287 0303
Auditors	BDO Audit Pty Ltd Level 9, Mia Yellagonga Tower 2 5 Spring Street Perth WA 6000 Tel: + 61 8 6382 4600 Fax: + 61 8 6382 4601
Securities Exchange Listing	Australian Securities Exchange ASX Code: OEL
Website address	www.ottoenergy.com
ABN	56 107 555 046

DIRECTORS' REPORT

For the year ended 30 June 2026

The Directors present their report together with the consolidated financial statements of the Group comprising Otto Energy Limited (referred to as 'Otto' or the 'Company') and its subsidiaries for the financial year ended 30 June 2026 and the auditors' report thereon.

Directors

The Directors in office at any time during the financial year and until the date of this report are set out below.

Mr Justin Clyne LLM (UNSW), AGIA, ACIS, MAICD
Chairman (Independent Non-Executive)
Appointed Non-Executive Director 19 October 2024; Appointed Interim Chairman 1 October 2025; Appointed Chairman 11 March 2026.
Justin Clyne is an Australian based company director and company secretary for public-listed and unlisted companies. Mr Clyne has significant experience and knowledge in international law and corporate regulatory requirements. Mr Clyne was admitted as a solicitor of the Supreme Court of New South Wales and High Court of Australia in 1996 before gaining admission as a barrister in 1998. Over the past 17 years, Mr Clyne has dedicated himself full time to the provision of corporate advisory and related services for listed entities primarily in the Australian and North American markets from incorporation through to takeovers and other large corporate transactions and specifically has acted as a director for Australian and dual listed oil and gas entities with US operations. Mr Clyne holds a Master of Laws in International Law from the University of New South Wales. Mr Clyne is also a qualified Chartered Company Secretary and a Member of the Australian Institute of Company Director. Mr Clyne is a member of the Audit and Risk Committee and a member of the Remuneration and Nomination Committee.

Mr Paul Senycia BSc (Hons), MAppSc
Deputy Chairman (Independent Non-Executive)
Appointed Executive Director 24 April 2018; Became Non-Executive Director 1 January 2019; Appointed Deputy Chairman 19 June 2023
Mr Paul Senycia is a seasoned geoscientist with over 40 years of international oil and gas experience in both commercial and technical aspects of the business. Mr Senycia has held senior roles in large and small companies worldwide including Shell, Woodside and Beach Petroleum. Over the last twenty years Mr Senycia has accumulated substantial Gulf of America expertise both on the shelf and in the deep water. This has included deal capture, asset management and project divestment activities. Outside the Gulf of America, Mr Senycia has worked in Europe, Asia, Africa and Australasia both on and offshore. Up until his retirement on 31 December 2018, Mr Senycia was the Vice President – Exploration and New Ventures for the Company. Mr Senycia is a member of the Audit and Risk Committee and Chairman of the Remuneration and Nomination Committee. Mr Senycia has not held any other directorships in the last three years.

Mr Geoff Page MBA, CPA, FCMA, FGIA
Director (Non-Executive)
Appointed Non-Executive Director 17 July 2020; Appointed Interim Chairman 1 July 2024; Resigned as Interim Chairman 1 October 2025.
Mr Geoff Page is a finance professional with over 25 years of senior finance, accounting and management experience gained globally within a number of industries. He has over 15 years of Board experience gained in several different firms. Mr Page is a member of CPA Australia, Fellow Member of the Chartered Institute of Management Accountants and a Fellow Member of the Governance Institute of Australia. Mr Page is Chairman of the Audit and Risk Committee and a member of the Remuneration and Nomination Committee.

Company Secretary

Ms Kaitlin Smith BCom (Acc), CA, FGIA
Appointed 2 November 2019
Ms Smith is an experienced Company Secretary, finance and corporate governance professional and has held Company Secretary and CFO roles within ASX listed and unlisted entities. She is a Chartered Accountant, fellow member of the Governance Institute of Australia and holds a Bachelor of Commerce (Accounting).

DIRECTORS' REPORT

For the year ended 30 June 2026

Directors' interests

As at the date of this report, the interests of the Directors in the shares and rights of Otto Energy Limited were:

Director	Number of Ordinary Shares	Number of Rights
Mr J Clyne	-	-
Mr P Senycia	8,691,134	-
Mr G Page	-	-

Principal activities

The principal activity of the Group is oil and gas development, production and sales in North America.

Strategy

The Company remains committed to maximizing revenues from its existing asset base, reducing costs where possible and distributing excess cash to shareholders.

The Company has initiated a formal process to evaluate the potential sale of its Gulf of America oil and gas assets comprising working interests in the South Marsh Island 71 (SM 71) oil field and the Green Canyon 21 (GC 21) deepwater oil well. As announced on 10 September 2026, the process did not result in an actionable opportunity to monetise the Gulf of America assets as a combined package and management will continue to ascertain interest for SM 71 whilst evaluating alternative strategies for GC 21.

The Board of Directors will critically review any future investment opportunities to ensure shareholder value is maximized and will continue to assess its options with respect to the most efficient means of returning excess cash to shareholders. An orderly and structured sale of the Gulf of America assets may represent the most effective means of achieving this objective.

Operating and Financial Review

During the year ended 30 June 2026, production from the Company's existing asset base continued to meet expectations. The Company continues to have a strong balance sheet and is debt-free with a cash balance of US$23.197 million. The cash balance includes restricted cash of US$2.925 million, held pending receipt of withholding tax certificates from the US Internal Revenue Service and US$6.000 million related to an intercompany revolving line of credit to ensure US liquidity during the period in which the Company is funding ongoing operations, reserves for the future winddown of its business, operations and assets and satisfying any contingent asset retirement obligation cash collateral requirements. See Note 8 for further information.

Financial Summary

Total profit after tax for the year ended 30 June 2026 was US$4.133 million (2025: US$0.740 million). This year's result was after incurring US$0.771 million in net impairment costs primarily on the Mosquito Bay West and Oyster Bayou South wells . The reduction in exploration expense from US$6.661 million in the 2025 financial year down to nil in the current year assisted the Company in achieving the US$ 3.393 million improvement in after tax profit year on year.

Net operating revenues were consistent with the previous period at US$15.215 million (2025: US$15.562 million), a 2% decrease from the prior year in line with expected field decline offset by overall higher oil prices achieved for the financial year. The Company faced a soft global crude oil environment for the majority of the financial year with the final quarter impacted by the disruptions caused by the closure of the Strait of Hormuz. Overall prices resulting in a 4% increase in achieved crude oil prices for the year, which was partially offset by an 2% decrease in natural gas prices and a 9% decrease in the price received for natural gas liquids.

Cost of sales for the current year were US$7.446 million (2025: US$7.105 million), a 5% increase primarily due to higher lease operating costs. This generated an operating gross profit of approximately US$7.769 million (2025: US$8.457 million), a decrease of 8% for the year.

Impairment charges for the current year reflect an overall loss of US$0.771 million (2025: reversal of US$1.027 million) as a result of impairment expenses recognised on the Mosquito Bay West and Oyster Bayou South wells (US$0.983 million) offset by equipment cost credits of US$0.212 million on the Bulleit well at Green Canyon 21. See Note 12 to the Consolidated Financial Statements for additional information.

Administrative and other expenses for the current year were approximately US$2.627 million (2025: US$2.858 million), a further 8% decrease on the previous year.

Exploration expenditures during the current year were nil (2025: US$6.661 million). Exploration activities associated with the SM 71 F5-ST prospect were recorded in the 2025 financial year.

Production and Development

Reserves Statement as at 30 June 2026

On 13 August the Company released its statement of reserves and resources as at 30 June 2026. The statement of reserves included Otto's fields at South Marsh 71 (SM 71), Green Canyon 21 (GC 21), Lightning in Matagorda County, TX (Lightning), Mosquito Bay West and Oyster Bayou South, and were independently prepared by Ryder Scott Company. The contingent and prospective resources cover SM 71 and Lightning. The summary statement of reserves and contingent and prospective resources as at 30 June 2026 and changes to reserves and resources since 30 June 2025 is set out below. (Full details including the reconciliations and notes on the statements are included in the ASX release of 13 August).

Total	Gross (100%)				Otto Net Revenue Interest (NRI) Share			
	Oil Mbbl	NGL Mbbl	Gas MMCF	MBOE	Oil Mbbl	NGL NGL	Gas MMCF	MBOE
Proved Producing	1,226	298	8,658	2,967	356	78	2,170	795
Proved Behind Pipe	519	304	8,970	2,319	176	80	2,230	627
Proved Undeveloped	-	-	-	-	-	-	-	-
Total Proved (1P)	1,746	602	17,628	5,286	531	157	4,400	1,422
Probable	991	200	5,600	2,124	302	49	1,338	574
Total Proved + Probable (2P)	2,737		23,228	7,410	833	207	5,738	1,996
Possible	2,267	1,578	47,551	11,770	655	434	12,254	3,131
Total Proved + Probable + Possible (3P)	5,003		70,779	19,180	1,488	640	17,992	5,127
Total Contingent and Prospective Resources (best estimate, unrisked)	2,068	-	24,285	6,116	765	-	7,304	1,982

Changes to reserves and resources since 30 June 2025

Otto Energy Limited Grand Total - Reserve Reconciliation (Otto Energy NRI Share)	Oil/NGL (Mbbl)				Gas (MMCF)				MBOE			
	Remaining 6/30/2025	Production FY2026	Additions & Revisions	Remaining 6/30/2026	Remaining 6/30/2025	Production FY2026	Additions & Revisions	Remaining 6/30/2026	Remaining 6/30/2025	Production FY2026	Additions & Revisions	Remaining 6/30/2026
Proved (1P)	878	196	6	688	5,507	955	-154	4,398	1,796	355	-19	1,422
Probable	381	0	-29	352	1,746	0	-409	1,337	672		-98	574
Proved+Probable (2P)	1,259	196	-23	1,040	7,253	955	-563	5,735	2,468	355	-117	1,996
Possible	1,124	0	-35	1,089	13,040	0	-787	12,253	3,297		-166	3,131
Proved+Probable+ Possible (3P)	2,383	196	-58	2,129	20,293	955	-1,350	17,988	5,765	355	-283	5,126

Estimated Proved reserves total approximately 1.4 MMboe and consist of seven PDP wells and eight recompletions. This compares to 1.8 MMboe as of 30 June 2025. This decrease is predominantly due to production of 355 Mboe on a net revenue interest basis ("NRI") during the financial year. There are minimal proved reserve revisions with additions of 7 Mboe at Lightning, 18 Mboe at MBW and 6 Mboe at OBS offset by reduction to reserve estimates of 33 Mboe at SM 71 and 17 Mboe at GC 21. Downward revisions to SM 71 are predominantly related to more gas being used for gas lift optimization, which has improved the F1 well oil production, similarly GC-21 downward revisions are due to increased fuel gas on the GC 18 production platform.

Estimated Proved plus Probable reserves total approximately 2.0 MMboe, compared to 2.5 MMboe as of 30 June 2025. This decrease is predominantly attributable to production of 355 Mboe (NRI) through FY 26 and the 59 Mboe downward revisions on the SM 71 F1 well due to gas being used for gas lift optimization. GC 21 reserve estimates are reduced by 21 Mboe due to increased fuel gas use on the platform. Increases at Lighting of 11 Mboe relate to field performance with further minimal decreases estimated to MBW and OBS, also relating to field performance. These reserves have an eleven-year estimated life (through 2037) with nine recompletions, the same eight assumed for Proved Reserves with an additional recompletion at MBW.

Estimated Proved plus Probable plus Possible reserves totaled approximately 5.1 MMboe, compared to 5.8 MMboe as of 30 June 2025. Possible reserves were downgraded by 166 Mboe predominantly due to an unanticipated increase in water production from the Green #2 during the 2026 fiscal year. These reserves have a fifteen-year estimated life (through 2041) with an additional three new Possible wells at Lightning (Green #3, Green #4 and Green #5).

Contingent and prospective resources totaled approximately 2.0 MMboe, no change from 30 June 2025 cover SM 71 and Lightning.

Production and Revenue Summary

The table below sets out production and working interest ("WI") revenue information associated with Otto's sales of natural gas, oil and natural gas liquids ("NGLs") from its fields at SM 71, Lightning, GC 21, Mosquito Bay West and Oyster Bayou South for the year ended 30 June 2026. One barrel of oil, condensate or NGL is the energy equivalent of six Mcf of natural gas.

	FY 2026	FY 2025	% Change
Total Oil (Bbls)	202,603	204,215	-1%
Total Gas (Mcf)	1,280,098	1,625,697	-21%
Total NGLs (Bbls)	46,135	53,052	-13%
Total BOE	462,088	528,216	-13%
Total (Boe/d)	1,266	1,447	-13%
Percent Liquids (%)	54%	49%	11%
Total WI Revenue (US$MM)	$ 19.45	$ 19.61	-1%
Oil revenue ($millions)	$ 14.3	$ 13.8	3%
Avg oil price ($/Bbl)	$ 70.35	$ 67.53	4%
Gas revenue ($millions)	$ 4.2	$ 4.5	-8%
Avg gas price ($/Mmbtu)	$ 2.65	$ 2.70	-2%
NGL revenue ($millions)	$ 1.0	$ 1.3	-21%
Avg NGL price ($/Bbl)	$ 22.09	$ 24.17	-9%
Total revenue ($millions)	$ 19.4	$ 19.6	-1%
Avg WA price ($/Boe)	$ 42.08	$ 37.12	13%

Otto's hydrocarbon sales for the current year equate to 1,266 Boe/d with performance of each asset during the year detailed below.

Notes

1. Otto sells its high-quality crude produced at SM 71, Mosquito Bay West, and Oyster Bayou South at Louisiana Light Sweet crude (LLS) crude pricing which is a premium to West Texas Intermediate ("WTI") pricing. Deductions are applied for transportation, gravity, and pipeline loss allowances.
2. GC 21 crude is a medium sour grade and sells against the Bonito Sour crude marker. Deductions are applied for transportation, gravity, and pipeline loss allowances.
3. Lightning crude sells against the WTI Houston crude marker. Deductions are applied for transportation and gravity.
4. On average, 1 Mscf = 1.10 Mmbtu for SM 71 raw gas production. The thermal content of SM 71 gas may vary over time.
5. On average, 1 Mscf = 1.25 Mmbtu for GC 21 raw gas production. The thermal content of GC 21 gas may vary over time.
6. On average, 1 Mscf = 1.10 Mmbtu for Lightning raw gas production. The thermal content of Lightning gas may vary over time.
7. On average, 1 Mscf = 1.12 Mmbtu for Mosquito Bay West and Oyster Bayou South raw gas production. The thermal content of Mosquito Bay West and Oyster Bayou South gas may vary over time.

South Marsh Island 71 (SM 71) – Offshore Gulf of America. Operated by Byron Energy Inc

The F1 and F3 wells began producing in March 2018 from the primary D5 Sand reservoir, the F2 well began production in April 2018 from the B55 Sand and the F5 -ST well began producing in November 2024.

During the month of May 2024, the F3 well was shut-in indefinitely due to high water cut and low oil production levels. The F3 well continues to display a high water cut in excess of 99% and remained predominantly shut in during the year.

In September 2022, the F2 well was successfully recompleted in the J1 sand and resumed production. On 2 June 2023, the F2 well was shut in for pressure buildup. The F2 well produced minor volumes during the year.

On 16 August 2024 it was announced that Otto Energy had agreed to participate in the F5-ST well.

On 22 October 2024 it was announced that the F5-ST well had been drilled and logged to 7,297 feet measured depth. While pulling out of the well after drilling and logging, the drill pipe and bottom hole assembly became stuck. Otto elected to participate in the proposed bypass well to redrill the I2, I3 and D5 sand intervals. Operations were finalized on 24 November 2024 and production commenced on 30 November 2024. In December 2024, wireline equipment was mobilized to further understand the production from the F5-ST well and possible interaction with the SM 71 F1 well. Pressure data obtained from the work program suggests the SM 71 F1 and F5-ST wells are in pressure communication. The F5 well was shut in mid-March 2025 because of this reservoir communication with the F1 well; however it continues to be used intermittently to provide gas lift for the F1 well with positive results.

Production and WI revenue for the year ended 30 June 2026 and 2025 were as follows:

SM 71 Production Volumes		FY 2026	FY 2025	% Change
WI (50%)	Oil (bbls)	126,626	128,798	-2%
	Gas (Mscf)	29,070	192,447	-85%
	Total (Boe)	131,471	160,872	-18%
	Total (Boepd)	360	441	-18%
	% liquids	96%	80%	20%
NRI (40.6%)	Oil (bbls)	102,883	104,648	-2%
	Gas (Mscf)	23,620	156,363	-85%
	Total (Boe)	106,820	130,708	-18%
	Total (Boepd)	293	358	-18%

SM 71 Prices		FY 2026	FY 2025	% Change
WI (50%)	Oil - $million	$ 8.8	$ 8.6	3%
	Oil - $ per bbl	$ 69.83	$ 66.69	5%
	Gas - $million	$ 0.1	$ 0.8	-86%
	Gas – $ per Mmbtu	$ 3.27	$ 3.45	-5%
	Total – US$million	$ 8.9	$ 9.3	-4%

Production volumes for the current financial year at SM 71 averaged 360 boepd (WI), a decrease of 18% over the prior year average of 441 boepd (WI). Production volumes for the year were impacted by downtime during the year including a 10-day shut in during the March 2026 quarter due to cold weather and intermittent electrical issues with the compressor and a 3-day shut-in due to a compressor water pump failure in the December 2025 quarter. The decrease in overall production was predominantly due to lower gas production attributable to the F5-ST well being shut in and only used intermittently to provide gas lift for the F1 well. Production improved in the final quarter of the 2026 fiscal year with operational improvements implemented by the Operator, Byron Energy. Changes were made to the production facilities to reduce pressure losses, resulting in a sustained uplift of 100 bbl/day in oil production from F1. Byron also resolved the intermittent electrical issues on the compressor, increasing uptime.

The F1 well oil production during the year averaged 691 bblpd (8/8ths) for the financial year compared to 719 bblpd (8/8ths) of oil production the previous financial year. Production rates stabilized in the June 2025 quarter after shutting in the F5 well and placing the F1 well on continuous gas lift.

Sales revenues for the current year were 4% lower than the prior year due to the 18% decrease in overall production combined with a 5% decrease in natural gas prices received. This was offset by a 20% increase in oil to gas ratio, as well as a 5% increase in oil prices. The following table sets out certain information with respect to SM 71 reserves as of 30 June 2026.

SM 71	Gross (100%)				Otto NRI Share (40.6%)			
	Oil Mbbl	NGL Mbbl	Gas MMCF	MBOE	Oil Mbbl	NGL NGL	Gas MMCF	MBOE
Proved Producing	582	-	174	611	236	-	71	248
Proved Behind Pipe	266	-	166	294	108	-	68	120
Proved Undeveloped	-	-	-	-	-	-	-	-
Total Proved (1P)	848	-	340	905	344	-	139	367
Probable	550	-	165	578	224	-	67	235
Total Proved + Probable (2P)	1,398	-	505	1,483	568	-	206	602
Possible	550	-	165	578	224	-	67	235
Total Proved + Probable + Possible (3P)	1,948	-	670	2,061	792	-	273	837
Total Contingent and Prospective Resources (best estimate, unrisked)	1,443	-	3,035	1,949	586	-	1,233	792

Lightning – Onshore Matagorda County, Texas. Operated by Hilcorp Energy

The first well in this field, Green #1, commenced production in June 2019 while the Green #2, commenced production in February 2020. Production and WI revenue for the year ended 30 June 2026 and 2025 were as follows:

Lightning Volumes		FY 2026	FY 2025	% Change
WI (37.1%)	Oil (bbls)	32,298	40,029	-19%
	Gas (Mscf)	1,076,779	1,249,926	-14%
	NGLs (bbls)	36,979	43,294	-15%
	Total (Boe)	248,740	291,644	-15%
	Total (Boepd)	681	799	-15%
	% liquids	28%	29%	-3%
NRI (27.8%)	Oil (bbls)	23,979	29,719	-19%
	Gas (Mscf)	799,441	927,992	-14%
	NGLs (bbls)	27,455	32,143	-15%
	Total (Boe)	184,674	216,527	-15%
	Total (Boepd)	506	593	-15%

Lightning Prices		FY 2026	FY 2025	% Change
WI (37.1%)	Oil - $million	$ 2.3	$ 2.8	-15%
	Oil - $ per bbl	$ 72.22	$ 68.90	5%
	Gas - $million	$ 3.4	$ 3.2	4%
	Gas – $ per Mmbtu	$ 3.12	$ 2.58	21%
	NGLs - $million	$ 0.9	$ 1.1	-19%
	NGLs – $ per bbl	$ 23.49	$ 24.84	-5%
	Total – US$million	$ 6.6	$ 7.1	-7%

The Green #1 well continues to produce as expected whilst a higher water-to-gas ratio rapidly developed on the Green #2 well in early February 2026. The operator, Hilcorp, performed a wireline intervention on Green #2, setting a plug at the end of February, to mitigate the increase in water production. The intervention did not decrease water volumes but slowed the rate of increase of the water-to-gas ratio. Green #2 has responded positively and is back on a predictable decline, similar to before the increase in water.

Production volumes for the current year were lower than production volumes for the prior year due to normal field decline with a 15% decline year on year on a boe basis and 5.2 days of downtime recorded. Production, on a WI basis, was approximately 681 Boepd as of 30 June 2026.

Sales revenues for the current year were also lower than the prior year due to this 15% decrease in production offset by a 5% increase in oil prices received and a 21% increase in natural gas prices received. NGL price decreases of 5% had a minimal affect on overall sales revenue. The following table sets out certain information with respect to Lightning reserves as of 30 June 2026.

Lightning	Gross (100%)				Otto NRI Share (27.8%)			
	Oil Mbbl	NGL Mbbl	Gas MMCF	MBOE	Oil Mbbl	NGL NGL	Gas MMCF	MBOE
Proved Producing	220	255	7,762	1,769	61	71	2,016	468
Proved Behind Pipe	197	216	6,560	1,506	55	60	1,704	399
Proved Undeveloped	-	-	-	-	-	-	-	-
Total Proved (1P)	417	471	14,322	3,275	116	131	3,720	867
Probable	110	123	3,728	854	31	34	968	226
Total Proved + Probable (2P)	526	594	18,050	4,129	147	165	4,688	1,093
Possible	1,378	1,515	46,053	10,569	384	422	11,963	2,799
Total Proved + Probable + Possible (3P)	1,905	2,109	64,103	14,697	530	587	16,651	3,893
Total Contingent and Prospective Resources (best estimate, unrisked)	625	-	21,250	4,167	174	-	5,916	1,160

Green Canyon 21 (GC 21) – Offshore Gulf of America. Operated by Talos Energy

The GC 21 well, operated by Talos Energy, commenced production from the deeper MP sands in October 2020. In August 2022, recompletion operations began in the shallow DTR-10 sands. During recompletion activities, an issue with the casing hanger in the wellhead caused by strong loop currents occurred. Due to additional equipment being required, operations were suspended and resumed in February 2023, with production beginning on 22 March 2023.

After a few days of production from the DTR-10 sands, well diagnostics indicated that the lower DTR-10 completion was not contributing to well production and the well was only seeing a contribution from the upper completion. Well intervention operations were completed in mid-May 2023 and the well is currently producing from both DTR-10 zones.

Production and WI revenue for the year ended 30 June 2026 and 2025 were as follows:

GC 21 Production Volumes		FY 2026	FY 2025	% Change
WI	Oil (bbls)	33,969	28,923	17%
	Gas (Mscf)	24,836	35,617	-30%
	NGLs (bbls)	2,233	2,763	-19%
	Total (Boe)	40,342	37,622	7%
	Total (Boepd)	111	103	7%
	% liquids	90%	84%	7%

GC 21 Production Volumes		FY 2026	FY 2025	% Change
NRI	Oil (bbls)	27,176	23,138	17%
	Gas (Mscf)	19,869	28,494	-30%
	NGLs (bbls)	1,787	2,211	-19%
	Total (Boe)	32,274	30,098	7%
	Total (Boepd)	88	82	7%

Production volumes for the current year were 7% higher than the prior year with minimal shut-in days recorded. Oil production for the year benefited from an increase to choke settings in November 2025.

Production on a WI basis, was approximately 111 Boepd as of 30 June 2026. Sales revenues increased as a result of the oil production increase and a 5% increase in oil prices received combined with a 22% increase in natural gas prices received.

The following table sets out certain information with respect to GC 21 reserves as of 30 June 2026.

GC 21	Gross (100%)				Otto NRI Share (13.3%)			
	Oil Mbbl	NGL Mbbl	Gas MMCF	MBOE	Oil Mbbl	NGL NGL	Gas MMCF	MBOE
Proved Producing	410	33	481	522	55	4	33	65
Proved Behind Pipe	-	-	-	-	-	-	-	-
Proved Undeveloped	-	-	-	-	-	-	-	-
Total Proved (1P)	410	33	481	522	55	4	33	65
Probable	293	23	344	373	39	3	24	46
Total Proved + Probable (2P)	703	56	825	895	94	7	57	111
Possible	307	24	360	391	41	3	25	48
Total Proved + Probable + Possible (3P)	1,010	80	1,185	1,286	135	10	82	159
Total Contingent and Prospective Resources (best estimate, unrisked)	-	-	-	-	-	-	-	-

Mosquito Bay West. Operated by Castex Energy

The Mosquito Bay West well began producing in August 2022. Production and WI revenue for the year ended 30 June 2026 and 2025 were as follows:

Mosquito Bay West Production Volumes		FY 2026	FY 2025	% Change
WI (30%)	Oil (bbls)	4,358	4,478	-3%
	Gas (Mscf)	132,553	139,853	-5%
	NGLs (bbls)	6,141	6,626	-7%
	Total (Boe)	32,591	34,412	-5%
	Total (Boepd)	89	94	-5%
	% liquids	32%	32%	0%

Mosquito Bay West Production Volumes		FY 2026	FY 2025	% Change
NRI (22.4%)	Oil (bbls)	3,246	3,336	-3%
	Gas (Mscf)	98,752	104,190	-5%
	NGLs (bbls)	4,575	4,936	-7%
	Total (Boe)	24,280	25,637	-5%
	Total (Boepd)	67	70	-5%

Production decreased during the year from an average of 94 boepd (WI) for 2025 to an average of 89 boepd this financial year, a decrease of 5%. Total revenue (WI) for this financial year increased by 8% compared to prior year. The increase in revenue was driven by the 32% increase in natural gas pricing with a 1% increase in oil pricing.

The following table sets out certain information with respect to Mosquito Bay West reserves as of 30 June 2026.

Mosquito Bay West	Gross (100%)				Otto NRI Share (22.4%)			
	Oil Mbbl	NGL Mbbl	Gas MMCF	MBOE	Oil Mbbl	NGL NGL	Gas MMCF	MBOE
Proved Producing	8	9	215	52	2	2	44	11
Proved Behind Pipe	56	89	2,244	519	13	20	458	109
Proved Undeveloped	-	-	-	-	-	-	-	-
Total Proved (1P)	64	97	2,459	571	14	22	502	120
Probable	34	53	1,351	313	8	12	276	66
Total Proved + Probable (2P)	98	151	3,810	884	22	34	778	185
Possible	24	38	951	221	5	8	194	46
Total Proved + Probable + Possible (3P)	123	188	4,761	1,104	27	42	972	231
Total Contingent and Prospective Resources (best estimate, unrisked)	-	-	-	-	-	-	-	-

Oyster Bayou South. Operated by Castex Energy

The Oyster Bayou South prospect was spud on 27 June 2022 with first production in September 2022.

Beginning in November 2022, the well began producing small amounts of water, since then, the water rate has continued to increase. The Oyster Bayou South well produced for around 136 days during the year due to water handling constraints of the central processing facility, based on the combined water production from Mosquito Bay West and Oyster Bayou South.

Production and WI revenue for the year ended 30 June 2026 and 2025 were as follows:

Oyster Bayou South Production Volumes		FY 2026	FY 2025	% Change
WI (30%)	Oil (bbls)	5,353	1,988	169%
	Gas (Mscf)	16,859	7,855	115%
	NGLs (bbls)	782	369	112%
	Total (Boe)	8,944	3,666	144%
	Total (Boepd)	25	10	144%
	% liquids	69%	64%	7%
NRI (22.7%)	Oil (bbls)	4,041	1,501	169%
	Gas (Mscf)	12,729	5,931	115%
	NGLs (bbls)	590	279	112%
	Total (Boe)	6,753	2,768	144%
	Total (Boepd)	19	8	144%

Oyster Bayou South Prices		FY 2026	FY 2025	% Change
WI (30%)	Oil - $million	$ 0.3	$ 0.1	130%
	Oil - $ per bbl	$ 62.72	$ 73.35	-14%
	Gas - $million	$ 0.1	$ 0.0	203%
	Gas – $ per MMbtu	$ 4.39	$ 3.14	40%
	NGLs - $million	$ 0.0	$ 0.0	61%
	NGLs – $ per bbl	$ 15.09	$ 19.79	-24%
	Total – US$million	$ 0.4	$ 0.2	138%

Production at Oyster Bayou South increased by 144% this financial year compared to the prior year, from an average of 10 boepd (WI) up to an average of 25 boepd (WI). Revenues over the same period increased driven by the increase in production volumes combined with a 40% increase in natural gas pricing, partially offset by a 14% decrease in oil pricing and a 24% decrease in NGL pricing.

The following table sets out certain information with respect to Oyster Bayou South reserves as of 30 June 2026.

Oyster Bayou South	Gross (100%)				Otto NRI Share (22.65%)			
	Oil Mbbl	NGL Mbbl	Gas MMCF	MBOE	Oil Mbbl	NGL NGL	Gas MMCF	MBOE
Proved Producing	8	1	25	14	2	0	5	3
Proved Behind Pipe	-	-	-	-	-	-	-	-
Proved Undeveloped	-	-	-	-	-	-	-	-
Total Proved (1P)	8	1	25	14	2	0	5	3
Probable	4	0	11	6	1	0	2	1
Total Proved + Probable (2P)	12	1	36	20	3	0	7	4
Possible	7	1	21	11	2	0	4	2
Total Proved + Probable + Possible (3P)	19	2	57	31	4	1	11	7
Total Contingent and Prospective Resources (best estimate, unrisked)	-	-	-	-	-	-	-	-

Corporate and Administration

Board of Director and Executive Changes

Mr Geoff Page resigned as Interim Chairman effective 1 October 2025 and resumed his role as Non-Executive Director. Mr Justin Clyne assumed the role of Interim Chairman effective 1 October 2025 then subsequently Chairman effective 11 March 2026. Effective 11 July 2025, Mr Philip Trajanovich resigned as Acting Chief Executive Officer and Mr Chris Dorros was appointed Chief Executive Officer effective 25 August 2025.

Commodity Price Risk Management

Otto derives its net operating revenue from the sale of oil, natural gas and natural gas liquids. As a result, the Company's net operating revenues are determined, to a large degree, by prevailing oil, natural gas and natural gas liquids prices. Otto sells its production to purchasers pursuant to sales agreements, with sales prices tied to industry standard published index prices, subject to negotiated price adjustments.

Otto may occasionally utilise commodity price hedge instruments to minimise exposure to short-term price fluctuations by using a series of swaps, costless collars and/or puts. Unrealised gains or losses associated with hedges vary period to period, and are a function of hedges in place, the strike prices of those hedges and the forward curve pricing for the commodities being hedged.

The Company did not enter into any commodity hedges during the 2026 financial year.

Currency Exchange Rate Risk Management

The US dollar reflects the majority of the Company's underlying cashflows from operations. The Company is exposed to foreign currency risk when need arises to convert US dollar holdings to Australian for cash inflows and outflows related to commercial transactions and monetary items denominated in a currency that is not US dollars.

The Company is executing currency conversions from US to Australian dollars in anticipation of any future repatriations to shareholders in line with the Board's commitment to return excess funds to shareholders.

In May 2026, Otto entered into a currency forward exchange rate contract to convert US$10 million to AUD at a forward rate of AUD/USD 0.7162 expiring on 31 August 2026. This contract provides Otto with some currency diversification and is in anticipation of a potential return of funds to shareholders in accordance with the Company's strategy, and for general corporate purposes. Refer Note 17 for further disclosures.

Key Risks

The key areas of risk, uncertainty and material issues that could affect the achievement of Otto's goals and delivering on its targets are described below. The Audit and Risk committee assists the Board with oversight of the Company's risk management activities and reviews significant risks to ensure that strategy, risk appetite and activities are aligned.

The Company's risk profile is actively managed by undertaking risk workshops at least annually to ensure risk categories and risk management activities are assessed and reviewed with appropriate mitigation actions developed for risks the Company believes it could control despite non-operator status. Risk management activities are regularly reviewed at Board meetings on an ongoing basis. Note that this is not an exhaustive list of risks that may potentially affect the Company.

The risks described below fall into three groups. Some are inherent in oil and gas production and are shared by all producers, including commodity price volatility, severe weather, operating hazards and the uncertainty of reserves estimation. Others arise from Otto's position as a non-operator, where the conduct of operations, the timing of expenditure and the information on which the Company relies are substantially in the control of our operating partners. A third group is specific to Otto's own circumstances, including the concentration of its production in a small number of assets, the scale of its management team, and the matters arising from the Company's strategy to realise value from its assets and return capital to shareholders.

Operating Risk

All oil and gas producers face the risk of sustained, unplanned interruption to production which may significantly impact financial performance. The facilities, third-party pipelines, refineries and gas plants which are utilised for sales and transportation of hydrocarbons are subject to operating hazards associated with major accident events and cyber-attack, which can result in a loss of production, hydrocarbon containment, additional costs, environmental damage and harm to people or reputation. Severe weather and sub-surface risks are addressed separately below.

Operations, support services and decommissioning activities are more difficult and costly in deep waters than in shallow waters, and more difficult and costly in shallow waters than on land. This gradation is common to the industry. Therefore the operating risk profile varies by asset location, with risk generally increasing across Otto's assets from land, inland waters, shallow water to deep water wells. The deep waters in the Gulf of America lack the physical and oilfield service infrastructure present in the shallower waters. As a result, deepwater operations may carry additional risks.

Otto has insurance cover for a number of these risks where it is appropriate and commercially justifiable to do so. For example, Otto has insurance cover for property damage, other than named windstorm cover as described under Severe Weather Risk below, but does not have cover for loss of profits as the cost is prohibitive.

As Otto is a non-operator, the operating risks are extended to include the performance of the operator. These risks could include inadequate resourcing or systems, misalignment of interest, inadequate capture or provision of data and information, poor financial position or unfavourable or inadequate agreement with the operator. Consequences of poor performance by an operator could extend to operational incidents, financial loss, loss of opportunity, non-compliance, legal disputes or less than optimal financial returns from the field.

Otto seeks to manage the risks around performance of the operator by entering into ventures with operators who have demonstrated competencies and financial capacity. Otto seeks to ensure that the operator’s reputation is sound, and that Otto’s interests are in alignment before committing to participation. Once committed, the risk is further mitigated through joint venture partner meetings, real time data receipt and review, and technical reviews and audits.

Severe Weather Risk

Otto’s offshore interests are located in the Gulf of America and are exposed to tropical storms and hurricanes. A severe weather event may cause loss of production, damage to platforms, wells, pipelines and third-party processing facilities, with shut-in periods extending well beyond the passage of the storm. Facilities in the region are routinely evacuated and shut in on a precautionary basis during the storm season, and the Company has no control over the timing of shut-in or the sequence in which the operator and third parties restore production.

Exposure to storm risk is shared by all producers in the region. The Company’s retention of that exposure is specific to Otto. Having regard to the maturity of the fields and the cost and availability of cover, Otto has elected not to maintain named windstorm insurance. The Company therefore retains this exposure and would bear its working interest share of storm-related damage to its assets, other than any amount recoverable under a policy held by an operator. Otto does not hold loss of production income cover. A severe storm affecting a key asset could accordingly have a material adverse effect on production, cash flow and asset carrying value, and could accelerate the timing of decommissioning.

Commodity price risk

Otto's net operating revenue, operating cash flow and the carrying value of its producing assets are determined principally by realised prices for crude oil, natural gas and NGLs. The Company sells production under index-linked sales agreements at prevailing market prices and, as at 30 June 2026, held no open commodity derivative positions. Otto is therefore fully exposed to movements in benchmark prices.

Otto's realisations are not a single price. Liquids from SM 71, Mosquito Bay West and Oyster Bayou South price against Louisiana Light Sweet, historically at a premium to WTI; GC 21 crude is a medium sour grade priced against Bonito Sour, historically at a discount to WTI; Lightning liquids price against WTI Houston. Gas is sold on a heating-content basis and NGL realisations move independently of crude, and by a materially wider margin. The Company is exposed to movements in these differentials, and to deductions for transportation, gravity and pipeline loss allowances, as well as to the benchmark price itself. Differentials are set by regional supply, refinery demand and takeaway capacity and are outside the Company's control.

Price volatility itself is common to all producers. The extent to which it affects Otto is a function of the Company’s own cost structure. The effect of a change in price on gross profit is not proportionate. A significant part of the Company’s cost of sales does not vary with the price received, including platform and facility operating costs, well intervention and workover costs, insurance and the amortisation of producing assets. A sustained fall in realised prices therefore reduces gross profit and operating cash flow by a proportionately greater amount than the fall in revenue. In a prolonged low price environment this operating leverage may bring forward the economic limit of a field, reduce estimated reserves and accelerate the timing of decommissioning obligations.

Geopolitical events also have an influence on commodity pricing. The disruptions caused by the closure of the Strait of Hormuz resulted in significant volatility. We expect this volatility to continue as a political settlement to this conflict appears tenuous.

Price also affects Otto beyond revenue. Forward price assumptions drive independently estimated reserves through the economic limit test, the recoverable amount used in impairment assessment, the expected timing of end of field life and associated decommissioning obligations, and the value realisable from any divestment of the Company's assets.

The Company carries no debt and is not subject to a borrowing-base covenant, and so does not bear the mandatory hedging requirements typically imposed by reserve-based lenders. The Board reviews hedging periodically and may enter swaps, collars or purchased puts where it judges that protecting a defined and committed cash flow outweighs the cost and the forgone upside. Otto does not take derivative positions for speculative purposes.

Concentration Risk

Otto's financial performance is significantly dependent on two of its five assets (SM 71 and Lightning), which together contributed 88% of the Company's gross profit in the 2026 financial year. This concentration of revenue generation in a limited number of assets presents a substantial risk. Unlike a producer with a diversified portfolio, Otto has limited capacity to absorb the loss of a single asset. Should production be curtailed at either of these key assets for any significant amount of time, it could have a material adverse effect on the Company's financial performance.

Because production is concentrated in a small number of wells, the Company is exposed to equipment and facility failures that would be immaterial to a larger producer. Loss of gas lift or compression, failure of surface or safety equipment, shut-in of the host platform, or an outage on a third-party pipeline, gas plant or oil sales line can curtail production from a key asset for an extended period. As a non-operator, Otto depends on the operator to plan, resource and execute any repair, and on third parties to restore infrastructure Otto does not control, and it has limited ability to offset lost production elsewhere in its portfolio. Reservoir and reserves-related risks affecting these assets are described under Reserves Recovery Risk below.

Reserves Recovery Risk

The Company's reserves are concentrated in a small number of producing reservoirs, and reservoir performance may deteriorate rapidly and with little warning. Water encroachment, loss of pressure support, sand production or the failure of a completion can reduce or end production from a well materially ahead of the profile assumed in the reserves estimate. Increased water production has been observed at the Lightning and GC 21 fields, and each of the Company's producing interests, including SM 71, depends on a small number of completions. A material deterioration in reservoir performance at any of these assets would reduce estimated reserves, gross profit and asset carrying value, and may accelerate the timing of decommissioning.

Uncertainty in the estimation of reserves is inherent in the industry and is not particular to Otto, although its effect on the Company is magnified by the small number of reservoirs concerned. The process of estimating oil and natural gas reserves is complex. It requires interpretations of available technical data and many assumptions, including assumptions relating to economic factors. Any significant inaccuracies in these interpretations or assumptions could materially affect the estimated quantities of our reserves at 30 June 2026.

In order to prepare reserve estimates, our independent consultant projected our production rates and timing of development expenditures. Our independent consultant also analyses available geological, geophysical, production and engineering data. The extent, quality and reliability of this data can vary. The process also requires economic assumptions about matters such as crude oil and natural gas prices, operating expenses, capital expenditures, taxes and availability of funds. Therefore, estimates of oil and natural gas reserves are inherently imprecise.

Actual future production, net operating revenues, crude oil and natural gas prices, taxes, development expenditures, operating expenses and quantities of recoverable oil and natural gas reserves will most likely vary from our estimates. Any significant variance could materially affect the estimated quantities of our reserves. In addition, our independent consultant may adjust estimates of proved reserves to reflect production history, data on reservoir characterisation, prevailing oil and natural gas prices and other factors, many of which are beyond our control.

The Company manages this risk by engaging Ryder Scott to prepare the annual reserves and resources statement. Ryder Scott Company evaluates oil and gas properties and independently certifies petroleum reserves quantities in the US and internationally. Ryder Scott is one of the largest, oldest and most respected reservoir evaluation consulting firms in the industry.

Risk of Demand for Supplemental Financial Assurance

The Company is exposed to a demand for additional financial assurance in respect of its offshore leases. Otto's SM 71 and GC 21 assets are located on the federal outer continental shelf ("OCS") and are regulated by the US Bureau of Ocean Energy Management (BOEM). BOEM may require a lessee to provide additional, or "supplemental", financial assurance, generally in the form of a surety bond, where it considers that the lessee's financial position warrants it. The rules governing when supplemental assurance is required, and how much, have changed repeatedly in recent years and remain unsettled. Otto's exposure under it is greater than that of larger producers because the Company does not hold an investment grade credit rating and its offshore fields are mature, so the value of the reserves attributable to a lease is less likely to exceed the associated decommissioning liability by the margin the rules require.

On 29 June 2024 a new BOEM rule entitled "Risk Management and Financial Assurance for OCS Lease and Grant Obligations" (the "2024 Rule") took effect. The 2024 Rule significantly increased the amount of supplemental financial assurance required from lessees and grant holders and accelerated the timing for providing it. The 2024 Rule was never fully implemented and is also the subject of legal challenge by industry associations and a number of US states. Following the change of US administration and Executive Order 14154 (Unleashing American Energy) of 20 January 2025, the US Department of the Interior announced on 2 May 2025 that it intended to revise or replace the 2024 Rule with a less onerous, risk-based framework of the kind proposed in 2020.

On 9 March 2026 the US Department of the Interior, acting through BOEM, published a proposed replacement rule for public comment. Broadly, the proposed rule would reduce both the number of companies required to provide supplemental financial assurance and the amounts required. The public comment period closed on 15 May 2026. As at the date of this report no final rule has been made, and the timing and final form of any rule remain uncertain.

Separately, on 10 July 2026 the US Secretary of the Interior issued Secretarial Order No. 3451, which established the Marine Minerals Administration, reuniting BOEM with the Bureau of Safety and Environmental Enforcement ("BSEE") into that single new bureau with immediate effect. All existing regulations and standards remain in force under the authority of the Marine Minerals Administration, and the transition is being implemented in phases, with BOEM and BSEE retaining operational authority in the interim. The organisational structure of the new bureau is to be finalised within nine months of the Order.

In summary, Otto's financial assurance position is subject to a regulatory framework in transition: the 2024 Rule remains in force but has not been enforced in full, a replacement rule has been proposed but has not been made, and the regulator itself is being restructured. As at the date of this report Otto has not received any demand from BOEM for supplemental financial assurance and is not presently able to determine the amount or timing of any such demand that may be made in the future. The Company manages this risk by retaining cash on its balance sheet consistent with its estimate of the supplemental financial assurance that would be required under the 2024 Rule, as any surety bond obtained to satisfy a demand would be expected to require full cash collateral. The effect of this is to reduce the amount of excess cash available for distribution to shareholders.

Value Realisation Risk

The Company has commenced a process to realise value from its offshore producing assets. There is no assurance that a transaction will complete, that it will complete within the timeframe presently contemplated, or that it will realise value at or above the Directors' assessment of the underlying value of the assets. Value achievable on a divestment is a function of prevailing and forward commodity prices, of buyer appetite for mature Gulf of America assets, and of the willingness of a counterparty to assume the associated decommissioning obligations.

The amount and timing of any return of excess capital to shareholders is further dependent on matters outside the Company's sole control. Funds cannot be fully remitted from the United States to Australia until tax withholding exemption certificates have been received from the Internal Revenue Service, and the Company does not control the timing of their issue. Until those certificates are received, the relevant cash must be retained in the United States. The amount ultimately received by shareholders also depends on the Australian taxation treatment of any distribution. Delay in these matters could defer a return of capital and potentially reduce the amount ultimately received by shareholders.

Financial Risk

Counterparty risk is the risk that a purchaser of production, a joint venture participant, an insurer or a financial institution fails to meet its payment or performance obligations to the Company. Otto is also unable to transfer all of its risk to insurers: not every risk can be insured, and cover is maintained in line with industry practice at levels determined by what is commercially available and by cost benefit analysis. A failure by a counterparty, or a loss for which no cover is held, could affect Otto's financial performance.

Currency risk arises even though the Company's functional and reporting currency is US dollars and most of its cash flows from operations are denominated in US dollars. Corporate and compliance costs are incurred in Australian dollars, and any return of capital to shareholders would be paid in Australian dollars exchanged from US dollar balances. Movements in the AUD/USD exchange rate between the determination and the payment of a distribution could have a material effect on the unhedged portion of the amount received by shareholders and on the Australian dollar value of the Company's cash balances. The Company has hedged part of this exposure by way of a forward exchange contract, further details of which are set out in Note 17 to the financial statements.

Key Management Risk

As Otto is a non-operator of its key interests, it has a small management team. The Company reduced the Houston footprint during the 2025 financial year and, by the nature of its small size, has limited internal redundancies to backfill the loss of a key manager. Otto has increased the use of external experts and consultants to support employees, management and the Boards of the Company and its subsidiaries to maintain operational coverage in such a scenario. Otto does not maintain or plan to obtain any insurance against the loss of any key management personnel. The Company makes every reasonable effort to retain key management personnel and acknowledges the Company may need to pay higher than expected retention costs.

Cyber Security risks

Regulatory and compliance obligations are increasing for data protection and security of critical infrastructure. Failure to safeguard the confidentiality, integrity and availability of digital data and information could have an adverse effect on Otto's operational performance. The Company considers the likelihood of a cyber incident to be increasing, as tools using artificial intelligence reduce the cost and increase the sophistication of attacks directed at organisations of Otto's size.

Otto's technology systems may be subject to both unintentional and intentional disruption, for example cybersecurity attacks. We are committed to the protection of our people, assets, reputation, and brand through securely enabled digital technologies. Digital risks are identified, assessed, and managed based on the business criticality of our people and systems, and may be required to be segregated and isolated. Our exposure to cyber risk is managed by a control framework designed to ensure that cyber events are identified, contained, and recovered in a timely manner.

Separately, and without any breach of the Company's data or systems, third parties are presently impersonating Otto. They have attempted to use the Company's name, branding and the identities of its personnel to obtain trade credit and to procure goods and services fraudulently from suppliers. The Company can only respond to these events by publishing a fraud notice on its website, alerting its bankers and the suppliers who have been approached, reporting the matter to cyber crime authorities and to its cyber insurer, and seeking removal of the fraudulent domain. Activity of this kind diverts management attention, may damage relationships with suppliers and counterparties, and may lead suppliers to seek recourse from Otto in respect of obligations it did not incur.

Regulatory Risks

Otto's business performance is underpinned by our social licence to operate, that requires compliance with legislation and the maintenance of a high level of ethical behaviour and social responsibility. Otto's business activities are subject to extensive regulation and government policy in each of the countries where we do business. Failure to comply may impact our licence to operate.

The Company is also exposed to changes in taxation law and policy in both the United States and Australia, including any change to the taxation treaty between those countries. Changes of this kind could affect the taxation of the Company’s United States operations, the cost of repatriating funds to Australia, and the amount and characterisation of any distribution ultimately received by shareholders.

Stakeholders have evolving expectations of social responsibility and ethical decision making. These are changing at a rate faster than governments can introduce or amend regulation. A significant or continuous departure from national or local laws, regulations or approvals may result in negative social and cultural impacts, reputation and brand, and loss of licence to operate.

Violation of international anti-bribery and corruption laws may expose Otto to fines, criminal sanctions, and civil suits, and negatively impact our international reputation. Otto proactively maintains and builds our social licence to operate through the application of our values, effective stakeholder engagement strategies, our regulatory compliance framework and our anti-fraud and corruption programme. The Company’s anti-bribery and corruption framework aims to prevent, detect and respond to unethical behaviour.

Environmental Social & Governance (ESG) Risks

Environmental, Social and Governance (ESG) risks are present in Otto’s operations and business locations. A loss of containment at a field in which Otto holds an interest, or a failure of governance or compliance by an operator, could result in remediation costs, regulatory penalties, loss of production and reputational damage, and Otto may bear its working interest share of those costs whether or not it contributed to the incident. As a non-operator, Safety and Environmental Management Systems (SEMS) evaluation in partner selection and tracking of operational environmental data allow Otto to monitor and manage environmental risks. Otto also has a comprehensive governance framework starting with the procedures for the selection and appointment of the board of directors, board committees, associated policies and procedures, the corporate delegation of authority, and independent external financial and reserves audits.

Otto’s social related policies include its Securities Trading Policy, Continuous Disclosure and Shareholder Communication Policy, Anti Bribery and Corruption Policy and Active Whistleblower policy.

Climate Change Risk

Climate change and the transition to a lower-carbon economy presents risk in the operation of our existing assets and in the way that the world produces and consumes energy. Climate driven changes to legislation, regulation and policy could result in additional compliance costs, or restrict the operations of the Company or of the operators of its assets.

Otto leverages its risk management framework to ensure an integrated and coordinated approach to the management of climate change across the business.

Liquidity and Debt

Otto’s cash on hand at 30 June 2026 was US$23.197 million with the Company having no outstanding debt. The cash balance includes restricted cash of US$2.925 million, held pending receipt withholding tax certificates from the US Internal Revenue Service and US$6.000 million related to an intercompany revolving line of credit to ensure US liquidity during the period in which the Company is funding ongoing operations, reserves for the future winddown of its business, operations and assets and satisfying any contingent asset retirement obligation cash collateral requirements. See Note 8 for further information.

Significant changes in the state of affairs

In June 2026, the Company initiated a formal process to evaluate the potential sale of its Gulf of America oil and gas assets comprising working interests in the South Marsh Island 71 (SM 71) oil field and the Green Canyon 21 (GC 21) deepwater oil well. See ASX announcement 24 June 2026 for further details.

Significant events after the balance date

No matters or circumstances have arisen since 30 June 2026 that have significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years apart from those listed below:

- On 2 July 2026, Otto Energy (USA) received the US Internal Revenue Service withholding tax certificate relating to a US$12.500 million return of capital from Otto Energy (USA) to Borealis Petroleum Pty Ltd confirming nil withholding tax applicable. US$1.875 million is no longer required to be classified as restricted cash as at this date.

- On 14 August 2026, Otto Energy Limited signed a release of the guarantee in place to Byron Energy Inc, for the performance of Otto Energy (Louisiana) LLC's obligations in relation to SM 71.

- On 9 September 2026, Otto Energy (USA) received the US Internal Revenue Service withholding tax certificate relating to a US$7.000 million return of capital from Otto Energy (USA) to Borealis Petroleum Pty Ltd confirming nil withholding tax applicable. US$1.050 million is no longer required to be classified as restricted cash as at this date

- On 10 September 2026 the Company released its statement of reserves and prospective resources as at 30 June 2026. The reserves were compiled by Otto's independent consultant Ryder Scott Company and covered SM 71, Lightning, GC 21, Mosquito Bay West and Oyster Bayou South. The contingent and prospective resources covered SM 71 and Lightning. The summary statement of reserves and resources as at 30 June 2026 and changes to reserves and resources since 30 June 2025 is set out in the Production and Development section of this Directors' Report.

- As announced on 10 September 2026, the Gulf of America asset sale process did not result in an actionable opportunity to monetise the Gulf of America assets as a combined package and management will continue to ascertain interest for SM 71 whilst evaluating alternative strategies for GC 21.

Likely developments and expected results

Other than already discussed, there were no further likely developments in the operations of the Group.

Environmental regulation and performance

So far as the Directors are aware, there have been no breaches of environmental conditions of the Group's exploration or production licenses. Procedures are adopted for each exploration program to ensure that environmental conditions of the Group's tenements are met.

Directors' meetings

The number of meetings of Directors (including meetings of committees of Directors) held during the year and the numbers of meetings attended by each Director were as follows:

Director	Board meetings		Audit and risk management Committee (ARC)		Remuneration and nomination committee (RNC)	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Mr J Clyne	5	5	4	4	3	3
Mr P Senycia	5	5	4	4	3	3
Mr G Page	5	5	4	4	3	3

Indemnification and insurance of Directors and officers

During the financial year, the Company paid a premium of approximately US$122,000 (2025: US$124,000) to insure the Directors and officers of the Company and its controlled entities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for them or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Proceedings on behalf of Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors’ Reports) Instrument 2026/183, and in accordance with that instrument, amounts in the consolidated financial statements and Directors’ Report have been rounded off to the nearest thousand dollars, unless otherwise indicated.

Non-audit services

The following non-audit services were provided by the entity's auditor, BDO Audit Pty Ltd. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

BDO Audit Pty Ltd received or are due to receive the following amounts for the provision of non-audit services:

	2026	**2025**
	US$000	US$000
Tax compliance services	2	7
Tax consulting and tax advice	1	52
	3	59

Auditor’s independence declaration

The auditor’s independence declaration is included on page 29 of this report.

Remuneration report (audited)

The Directors of the Company have prepared this remuneration report to outline the overall remuneration strategy, policies and practices which were in place during 2026. The report has been prepared in accordance with Section 300A of the Corporations Act 2001 and its regulations.

Otto Energy's remuneration policy is designed to ensure that the level and form of compensation achieves certain objectives, including:

a) attraction and retention of employees and management to pursue the Group's strategy and goals;
b) delivery of value-adding outcomes for the Group;
c) fair and reasonable reward for past individual and Group performance; and
d) incentive to deliver future individual and Group performance.

Remuneration consists of base salary, superannuation, short-term incentives (STI) and long term incentives (LTI). Remuneration is determined by reference to market conditions and performance. Performance is evaluated at an individual level as well as the performance of the Group as a whole.

Key management personnel disclosed in this report are:

Directors

Mr Justin Clyne	Non-Executive Chairman
Mr Paul Senycia	Non-Executive Deputy Chairman
Mr Geoff Page	Non-Executive Director

Executives

Mr Chris Dorros	Chief Executive Officer (appointed 25 August 2025)
Ms Julie Dunmore	Chief Financial Officer
Mr Philip Trajanovich	Acting Chief Executive Officer (resigned 11 July 2025)

Remuneration governance

Role of the Remuneration and Nomination Committee

The Remuneration and Nomination Committee's role is to review and recommend remuneration for key management personnel (KMP) and review remuneration policies and practices including Company incentive schemes and superannuation arrangements. The Committee considers independent advice, where circumstances require, on the appropriateness of remuneration to ensure the Group attracts, motivates and retains high quality people.

The ASX Listing Rules require that the maximum aggregate amount of remuneration to be allocated among the Non-Executive Directors be approved by shareholders in a general meeting. In proposing the maximum amount for consideration by shareholders and in determining the allocation, the Remuneration and Nomination

Committee takes account of the time demands made on Directors and such factors as fees paid to non-executive Directors in comparable Australian companies.

The Remuneration and Nomination Committee is comprised of the three non-executive Directors during the 2026 financial year.

Remuneration arrangements for Directors and executives are reviewed by the Remuneration and Nomination Committee and recommended to the Board for approval. The Remuneration and Nomination Committee considers external data and information, where appropriate, and may engage independent advisors where appropriate to establish market benchmarks.

Remuneration arrangements are determined in conjunction with the annual review of the performance of Directors, executives and employees of the Group. Performance of the Directors, CEO and executives of the Group is evaluated by the Board, assisted by the Remuneration and Nomination Committee. These evaluations take into account criteria such as the achievement toward the Group's performance benchmarks and the achievement of individual performance objectives.

Non-Executive director remuneration policy

Non-Executive Directors of the Group are remunerated by way of fees and statutory superannuation where applicable. Fees are set to reflect current market levels based on the time, responsibilities and commitments associated with the proper discharge of their duties as members of the Board. Non-executive Directors' fees are determined within an aggregate non-executive Directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at A$500,000 per annum.

Retirement allowances for non-executive Directors

In line with ASX Corporate Governance Council, non-executive Directors' remuneration does not include retirement allowances. Superannuation contributions required under the Australian superannuation guarantee legislation continue to be made and are deducted from the Directors' overall fee entitlements.

Directors' fees set and paid in Australian Dollars (A$)

The following fees (per annum) have applied:

	2026 (1 July 2025 – 30 Jun 2026)	**2025 (1 May 2025 – 30 Jun 2025)**	**2025 (20 Oct 2024 – 30 Apr 2025**	**2025 (7 Aug 2024 – 19 Oct 2024)**	**2024/2025 (1 Jun 2024 – 6 Aug 2024)**
Base fees:					
Chairman	A$75,000	A$75,000	A$75,000	A$50,000	A$50,000
Deputy Chairman	A$75,000	A$75,000	A$75,000	A$50,000	A$50,000
Other Non-executive Directors	A$75,000	A$75,000	A$75,000	A$40,000	A$40,000
Additional fees:					
Chairman	A$5,000	A$5,000	A$5,000	-	-
Deputy Chairman[(i)]	A$30,000	A$10,000	-	A$10,000	-
Audit and Risk Management Committee Chair	A$5,000	A$5,000	A$5,000	A$10,000	A$10,000
Remuneration Committee Chair	A$5,000	A$5,000	A$5,000	A$8,000	A$8,000

(i) Deputy Chairman received A$5,000/month from 1 May 2025 until 31 December 2025.

Appointment

The term of appointment is determined in accordance with the Company's Constitution and is subject to the provisions of the Constitution dealing with retirement, re-election and removal of Directors of the Company. The Constitution provides that all Directors of the Company are subject to re-election by shareholders by rotation at least every three years during the term of their appointment.

Directors and executive remuneration policy and framework

The remuneration structure in place for the year ended 30 June 2026 applies to all employees including key management personnel and staff members of the Group. The Group's remuneration structure is comprised of a fixed annual remuneration (FAR) or base salary (including superannuation) and long-term incentives as follows:

Element	Purpose	Performance Metrics	Potential Value
Fixed annual remuneration (FAR)	Provide competitive market salary including superannuation and non-monetary benefits	Nil	Reviewed in line with market positioning
LTI	Alignment to return of funds to shareholders	Return of Capital / Dividend to Shareholders	2% of shareholder return (CEO) 1% of shareholder return (CFO)

The Board and Remuneration Committee have the discretion to grant annual short-term incentive (STI) awards to members of the executive team at a certain percentage of FAR. STI awards are based on calendar year performance with remuneration recognised based on financial year. For the calendar year ended 31 December 2025, the Committee focused on rewarding key employees for performance and loyalty instead of establishing a formal STI remuneration structure.

During the year the Board and Remuneration Committee exercised their option to grant a discretionary bonus related to the 2025 calendar year to key management personnel identified as being key to the Company's strategic direction as follows:

KMP	Discretionary Bonus US$	Superannuation and Benefits US$	Total Bonus inclusive of superannuation and benefits US$
Chris Dorros	46,640	2,710	49,350
Julie Dunmore	109,669	13,161	122,830

Executive remuneration mix

a) Fixed annual remuneration (FAR) or base salary (including superannuation)

To attract and retain talented, qualified, and effective employees, the Group pays competitive base salaries which have been benchmarked to the market in which the Group operates. The Group compiles competitive salary information on companies of comparable size in the oil and gas industry from several sources. Where appropriate, information is obtained from surveys conducted by independent consultants and national and international publications. In the past the Board has engaged independent advisors to review the remuneration levels paid to the Group's key management personnel. An advisor was not retained for the December 2025 or December 2024 calendar year performance reviews. FAR is recognised in the accounts based on financial year remuneration.

FAR is paid in cash and is not at risk other than by termination. Individual FAR is set each year based on job description, competitive salary information sourced by the Group and overall competence in fulfilling the requirements of the particular role. There is no guaranteed base pay increases included in any executives' contracts. Superannuation contributions required under the Australian superannuation guarantee legislation continue to be made.

b) Long-term incentives

Long-term incentives may be provided to certain employees to align with long term Company objectives. The Company is continuing to take steps to maxmise the return of excess cash to shareholders. Accordingly, incentives have been introduced in the 2025 calendar year to align executive remuneration with this objective.

Voting and comments made at the Group's 2025 Annual General Meeting

At its 2025 Annual General Meeting, the Company received approximately 97% of "yes" votes on its remuneration report for the 2025 financial year and the Company did not receive any specific feedback at the Annual General Meeting on its remuneration practices. All resolutions put to the meeting at the 2025 Annual General Meeting were carried on a poll.

Performance of Otto Energy Limited

The Corporations Act requires disclosure of the Company's remuneration policy to contain a discussion of the Company's earnings and performance and the effect of the Company's performance on shareholder wealth in the reporting period and the four previous financial years. The table below provides a five-year financial summary.

	30 June 2022	**30 June 2023**	**30 June 2024**	**30 June 2025**	**30 June 2026**
Net profit/(loss) after tax (US$'000)	15,514	(7,006)	(1,653)	740	4,133
Share price at year end (AUD)	0.013	0.015	0.013	0.004	0.005
Basic earnings/(loss) (US cents per share)	0.32	(0.15)	(0.03)	0.02	0.09
Return of capital (AU cents per share)	-	-	-	0.00657	-
Total dividends (AU cents per share)	-	-	-	0.00143	-

Details of remuneration

The following table shows details of the remuneration received by Directors and executives of the Group for the current and previous financial year.

Remuneration and other terms of employment for the Chief Executive Officer and other staff are formalised in service agreements. Each of these agreements provides for performance related conditions and details relating to remuneration are set out in the following table:

		Fixed Remuneration			Variable Remuneration		Total
	Year	Salary and fees $US	Super-annuation $US	Other benefits (i) $US	Cash bonus $US	Termination benefits $US	$US
Directors							
Mr J Clyne	2026	54,259	-	-	-	-	54,259
	2025	35,487	-	-	-	-	35,487
Mr P Senycia	2026	66,020	7,922	-	-	-	73,942
	2025	49,393	5,680	-	-	-	55,073
Mr G Page	2026	54,309	-	-	-	-	54,309
	2025	44,704	-	-	-	-	44,704
Mr J Madden(ii)	2026	-	-	-	-	-	-
	2025	9,978	1,147	-	-	-	11,125
Total Director remuneration	2026	174,588	7,922	-	-	-	182,510
	2025	139,562	6,827	-	-	-	146,389

(i) Reflects the value of allowances and non-monetary benefits (including health insurance and other US payroll deductions).

(ii) Mr John Madden resigned as Non-executive Director effective 20 October 2024

		Fixed Remuneration				Variable Remuneration		Total
	Year	Salary and fees $US	Annual & long service leave $US	Super-annuation $US	Other benefits (i) $US	Cash bonus(ii) $US	Termination benefits $US	$US
Executives								
Mr C Dorros(v)	2026	299,231	-	17,155	-	46,640	-	363,026
	2025	-	-	-	-	-	-	-
Ms J Dunmore(vi)	2026	232,359	14,196	41,139	1,922	109,669	-	399,284
	2025	204,761	16,747	32,996	1,543	82,121	-	338,168
Mr P Trajanovich(iv)	2026	10,739	-	430	1,393	-	-	12,562
	2025	314,095	-	14,864	45,871	119,700	-	494,530
Mr S Herod(iii)	2026	-	-	-	-	-	-	-
	2025	6,818	-	273	574	-	80,000	87,665
Total executive remuneration	2026	542,329	14,196	58,724	3,315	156,309	-	774,873
	2025	525,674	16,747	48,133	47,988	201,821	80,000	920,363
Total Director and executive remuneration	2026	716,917	14,196	66,646	3.315	156,309	-	957,383
	2025	665,236	16,747	54,960	47,988	201,821	80,000	1,066,752

(i) Reflects the value of allowances and non-monetary benefits (including health insurance and other US payroll deductions).
(ii) Cash bonus' were paid in recognition of performance at Board discretion
(iii) Mr S Herod resigned as Chief Executive Officer 5 July 2024
(iv) Mr P Trajanovich resigned as Acting Chief Executive Officer on 11 July 2025
(v) Mr C Dorros was appointed Chief Executive Officer on 25 August 2025

The relative proportions of remuneration that are linked to performance and those that are not, are as follows:

	Fixed and other		At risk – STI		At risk – LTI	
	2026	2025	2026	2025	2026	2025
Directors						
Mr J Clyne	100%	100%	-	-	-	-
Mr P Senycia	100%	100%	-	-	-	-
Mr G Page	100%	100%	-	-	-	-
Mr J Madden(iv)	-	100%	-	-	-	-
Executives						
Mr C Dorros(iii)	87%	-	13%	-	-	-
Ms J Dunmore	73%	76%	27%	24%	-	-
Mr P Trajanovich(ii)	100%	76%	-	24%	-	-
Mr S Herod(ii)	-	9%	-	91%	-	-

(i) Mr S Herod resigned as Chief Executive Office on 5 July 2024
(ii) Mr P Trajanovich resigned as Acting Chief Executive Office on 11 July 2025
(iii) Mr C Dorros was appointed Chief Executive Officer 25 August 2025
(iv) Mr John Madden resigned as Non-executive Director effective 20 October 2024

Service agreements

On appointment to the Board, all non-executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including remuneration, relevant to the office of Director.

Remuneration and other terms of employment for executives are also formalised in service agreements. Each of these service agreements provide for the provision of performance related cash bonuses, and participation, when eligible, in the Otto Energy Limited Performance Rights and Employee Share Option Plans. Other major provisions of the agreements relating to remuneration are set out below.

All contracts with executives may be terminated early by either party with notice, per individual agreement, subject to termination payments as detailed below.

Name	Commencement of contract	Base salary (i) (per annum)	Termination benefit(ii)
Mr Chris Dorros *Chief Executive Officer*(iii)	25 August 2025	US$355,000	3 months base salary
Ms Julie Dunmore *Chief Financial Officer* (iv)	20 December 2023	US$240,016	3 months base salary

(i) Executive contracts are reviewed annually by the Board and the Remuneration and Nomination Committee.
(ii) Termination benefits are payable on early termination by the Company, other than for gross misconduct.
(iii) Mr Chris Dorros was appointed Chief Executive Officer 25 August 2025
(iv) Remuneration contract denominated in AUD. A$355,000 converted at an average AUD/USD exchange rate of 0.6761

Shareholding

The number of shares in the Company held during the financial year by key management personnel of the Group, including their personally related parties, is set out below:

Key Management Personnel (KMP)	KMP balance at start of year	Holding on appointment	Purchased during the year	Balance on date ceased to be KMP	KMP balance at end of year
Directors					
Mr P Senycia	8,691,134	-	-	-	8,691,134
Mr G Page	-	-	-	-	-
Mr J Clyne	-	-	-	-	-
	8,691,134	-	-	-	8,691,134
Executives					
Mr C Dorros	-	-	-	-	-
Ms J Dunmore	321,775	-	-	-	321,775
	321,775	-	-	-	321,775
Total	9,012,909	-	-	-	9,012,909

Outstanding balances arising from sales/purchases of goods and services

There are no balances outstanding at the end of the reporting period in relation to transactions with key management personnel and their related parties (2025: nil).

End of Remuneration Report

Diversity

Proportion of women employees at 30 June 2026:

	Number	Proportion
Whole organisation*	2/6	33%
Senior executive positions	1/2	50%
Board	0/3	0%

*Includes three Otto Energy Limited non-executive Directors

Performance rights and Options

There are no performance rights and no options on issue as at the date of this report.

This report is made in accordance with a resolution of Directors.

Justin Clyne.

Mr Justin Clyne
Chairman

17 September 2026

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DECLARATION OF INDEPENDENCE BY ASHLEIGH WOODLEY TO THE DIRECTORS OF OTTO ENERGY LIMITED

As lead auditor of Otto Energy Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Otto Energy Limited and the entities it controlled during the period.

Ashleigh Woodley

Director

BDO Audit Pty Ltd

Perth

17 September 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2026

	Note	2026 US$'000	2025 US$'000
Operating revenue (net)	2	15,215	15,562
Cost of sales	3	(7,446)	(7,105)
Gross profit		**7,769**	**8,457**
Other income	2	604	1,241
Loss on sale of property, plant and equipment		(4)	-
Exploration expenditure	4	-	(6,661)
Impairment (expense)/reversal	12	(771)	1,027
Finance costs	5	(269)	(264)
Loss on derivative financial instruments		(342)	(95)
Administration and other expenses	5	(2,627)	(2,858)
Profit before income tax		**4,360**	**847**
Income tax expense	7	(227)	(107)
Profit after income tax		**4,133**	**740**
Profit for the year after tax		**4,133**	**740**
Other comprehensive income that may be recycled to profit or loss			
Total other comprehensive income		-	-
Total comprehensive profit for the year		**4,133**	**740**
Earnings per share from continuing operations			
Basic and diluted profit per share (US cents)	6	0.09	0.02
Earnings per share attributable to the ordinary equity holders of the company			
Basic and diluted profit per share (US cents)	6	0.09	0.02

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Note	2026 US$'000	2025 US$'000
Current assets			
Cash and cash equivalents	8	23,197	14,899
Trade and other receivables	10	1,735	1,182
Prepayments and bonds	11	1,138	1,093
Other assets	11	147	343
Total current assets		**26,217**	**17,517**
Non-current assets			
Oil and gas properties	12	9,203	11,333
Property, plant and equipment		1	7
Other financial assets	11	929	950
Total non-current assets		**10,133**	**12,290**
Total assets		**36,350**	**29,807**
Current liabilities			
Trade and other payables	13	1,319	607
Derivative liability		342	-
Provisions	14	456	265
Total current liabilities		**2,117**	**872**
Non-current liabilities			
Provisions	14	7,634	6,469
Total non-current liabilities		**7,634**	**6,469**
Total liabilities		**9,751**	**7,341**
Net assets		**26,599**	**22,466**
Equity			
Contributed equity	15	112,613	112,613
Reserves	16	10,470	10,470
Accumulated losses		(96,484)	(100,617)
Total equity		**26,599**	**22,466**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	Contributed equity US$'000	Share-based payments reserve US$'000	Accumulated losses US$'000	Total US$'000
Balance at 1 July 2024	133,170	10,470	(96,883)	46,757
Profit for the year	-	-	740	740
Total comprehensive loss for the year	-	-	740	740
Transactions with owners in their capacity as owners:				
Return of capital to shareholders	(20,557)	-	-	(20,557)
Dividend paid to shareholders	-	-	(4,474)	(4,474)
Balance at 30 June 2025	112,613	10,470	(100,617)	22,466
Balance at 1 July 2025	112,613	10,470	(100,617)	22,466
Profit for the year	-	-	4,133	4,133
Total comprehensive profit for the year	-	-	4,133	4,133
Transactions with owners in their capacity as owners:				
Balance at 30 June 2026	112,613	10,470	(96,484)	26,599

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASHFLOWS

For the year ended 30 June 2026

	Note	2026 US$'000	2025 US$'000
Cash flows from operating activities			
Oil and gas sales (net)		14,628	16,153
Payments to suppliers and employees		(7,135)	(9,028)
Payments on purchase of derivative financial instruments		-	(95)
Payments for exploration and evaluation		-	(6,661)
Interest received		636	1,298
Income tax paid		(64)	(461)
Net cash inflow from operating activities	9	**8,064**	**1,206**
Cash flows from investing activities			
Insurance claim proceeds		-	2,382
(Payments)/credits for development and evaluation		169	(3,697)
Bond for development asset		22	50
Net cash inflow/(outflow) from investing activities		**191**	**(1,265)**
Cash flows from financing activities			
Dividend payment to shareholders		-	(4,474)
Return of capital to shareholders		-	(20,557)
Net cash outflow from financing activities		**-**	**(25,031)**
Net increase/(decrease) in cash and cash equivalents		8,255	(25,090)
Cash and cash equivalents at the beginning of the financial year		14,899	40,495
Effects of exchange rate changes on cash		43	(506)
Cash and cash equivalents at the end of the financial year	8	**23,197**	**14,899**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

ABOUT THIS REPORT

Otto Energy Limited (referred to as 'Otto' or the 'Company') is a for-profit entity limited by shares, incorporated and domiciled in Australia. Its shares are publicly traded on the Australian Securities Exchange. The nature of operations and principal activities of Otto and its subsidiaries (referred to as the 'Group') are described in the Directors' Report.

The consolidated general purpose financial report of the Group was authorised for issue in accordance with a resolution of the Directors on 17 September 2026.

Basis of preparation

The financial report is a general purpose financial report which:

- has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and International Financial Reporting Accounting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB);
- has been prepared on a historical cost basis, except for certain financial instruments which have been measured at fair value;
- presents reclassified comparative information where required for consistency with the current year's presentation; and
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the Group and effective for reporting periods beginning on or before 1 July 2025. Refer to Note 25 for further details.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group. A list of controlled entities (subsidiaries) is contained in Note 18.

Subsidiaries are consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date that control ceases. In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profits or losses resulting from intra-group transactions have been eliminated.

Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in United States dollars, which is Otto Energy Limited's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

ABOUT THIS REPORT (continued)

Rounding of amounts

The amounts contained in these financial statements have been rounded to the nearest thousand dollars ($'000) unless otherwise stated, in accordance with ASIC Instrument 2026/183.

Other accounting policies

Material and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the consolidated financial statements.

Going concern

Otto's financial statements have been prepared on a going concern basis.

Key estimates and judgements

In applying the Group's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates which are material to the financial report are found in the following notes:

- Note 7 Income tax
- Note 12 Oil and gas properties
- Note 14 Provisions

FINANCIAL PERFORMANCE

1. Segment information

The Group has identified its operating segments based on the internal management reports that are reviewed and used by the executive management team in assessing performance and in determining the allocation of resources. The operating segments identified by management are based on the geographical locations of the business which are as follows: Gulf of America (USA) and Other. Discrete financial information about each of these operating segments is reported to the executive management team on at least a monthly basis.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board. The Group had two reportable segments during 2026. Reportable segments exclude results from discontinued operations.

The segment information for the reportable segments for the year ended 30 June 2026 is as follows:

2026	**Gulf of America (USA))**	**Other**	**Consolidated**
	US$'000	**US$'000**	**US$'000**
Operating revenue (net)	15,215	-	15,215
Cost of sales	(7,446)	-	(7,446)
Gross profit	7,769	-	7,769
Other income	562	42	604
Loss on sale of property, plant and equipment	(4)	-	(4)
Impairment	(771)	-	(771)
Gain/(loss) on derivatives	-	(342)	(342)
Finance costs	(269)	-	(269)
Administration and other expenses	(1,211)	(1,416)	(2,627)
Profit/(loss) before income tax from continuing operations	6,076	(1,716)	4,360
Income tax expense/(reversal)	(286)	59	(227)
Profit/(loss) after income tax from continuing operations	5,790	(1,657)	4,133
30 June 2026			
Total non-current assets	10,132	1	10,133
Total assets	18,586	17,764	36,350
Total liabilities	9,114	637	9,751

1. Segment information (continued)

The segment information for the reportable segments for the year ended 30 June 2025 is as follows:

2025	Gulf of America (USA)	Other	Consolidated
	US$'000	US$'000	US$'000
Operating revenue (net)	15,562	-	15,562
Cost of sales	(7,105)	-	(7,105)
Gross profit	8,457	-	8,457
Other income	387	854	1,241
Exploration expenditure	(6,661)	-	(6,661)
Impairment reversal	1,027	-	1,027
Gain/(loss) on derivatives	(95)	-	(95)
Finance costs	(264)	-	(264)
Administration and other expenses	(996)	(1,862)	(2,858)
Profit/(loss) before income tax from continuing operations	1,855	(1,008)	847
Income tax expense	(25)	(82)	(107)
Profit/(loss) after income tax from continuing operations	1,830	(1,090)	740
30 June 2025			
Total non-current assets	12,288	2	12,290
Total assets	27,894	1,913	29,807
Total liabilities	7,017	324	7,341

2. Net operating revenue and other income

	2026 US$'000	2025 US$'000
South Marsh 71 (SM 71) sales(i) (v)		
Oil sales	8,842	8,574
Gas sales	104	779
Natural gas liquids sales	-	7
Total sales	8,946	9,360
Less: royalties(i)	(1,673)	(1,727)
SM 71 operating revenue (net)	7,273	7,633
Bulleit Field (GC 21) sales(ii) (v)		
Oil sales	2,409	1,970
Gas sales	90	107
Natural gas liquids sales	43	72
Total sales	2,542	2,149
Less: royalties(ii)	(478)	(400)
GC 21 operating revenue (net)	2,064	1,749

	2026 US$'000	2025 US$'000
2. Net operating revenue and other income (continued)		
Lightning sales(iii) (v)		
Oil sales	1,638	1,961
Gas sales	2,482	2,463
Natural gas liquids sales	750	952
Lightning operating revenue (net)	4,870	5,376
Mosquito Bay West sales(iii) (v)		
Oil sales	284	260
Gas sales	353	281
Natural gas liquids sales	63	90
Mosquito Bay West operating revenue (net)	700	631
Oyster Bayou South sales(iii) (v)		
Oil sales	257	153
Gas sales	44	15
Natural gas liquids sales	7	5
Oyster Bayou South operating revenue (net)	308	173
Total operating revenue (net)	15,215	15,562

	2026 US$'000	2025 US$'000
Interest income(iv)	604	1,241
	604	1,241

(i) SM 71 net operating revenue is shown net of royalty payments payable to the (USA) Office of Natural Resources Revenue. Royalty payments are 18.75% of gross revenue under the terms of the SM 71 lease.
(ii) GC 21 net operating revenue is shown net of royalty payments totalling 20%.
(iii) Proceeds from the sale of oil and gas from the Lightning field, Mosquito Bay West, and Oyster Bayou South wells are received net of royalty payments.
(iv) Interest income is recognised using the effective interest rate method.
(v) Gross oil revenue (US$8.8 million) from SM 71 and Gross oil revenue (US$2.4 million) from GC 21, were sold to the same single customer. Gross gas revenue (US$0.1 million) from SM 71 and Gross gas revenue (US$0.01 million) from GC 21, were sold to the same single customer. Net oil revenue (US$1.6 million) and net gas revenue (US$2.5 million) from Lightning were sold to a different single customer. Net oil revenue (US$0.5 million) and net gas revenue (US$0.4 million) from Mosquito Bay West and Oyster Bayou South were sold to another different single customer.

2. Net operating revenue and other income (continued)

Recognition and measurement

Revenue from the sale of SM 71 oil & gas is recognised and measured in the accounting period in which the goods and/or services are provided based on the amount of the transaction price allocated to the performance obligations. The performance obligation is the supply of oil & gas over the contractual term; the units of supply represent a series of distinct goods that are substantially the same with the same pattern of transfer to the customer. The performance obligation is considered to be satisfied as the customer receives the supply through the pipeline, based on the units delivered. Hence revenue is recognised over time.

Revenue from Lightning oil sales is recognised upon transfer of the product to the purchaser's transportation mode, currently via truck for oil, and at the production facilities for gas which is the point that title passes. Hence revenue is recognised at a point in time.

Production from GC 21 travels from the well via subsea flowline to the Talos owned GC 18 platform where the production is processed and sent to separate oil and gas transportation pipelines. Revenue from the sale of GC 21 oil is recognised at the inlet to the Shell Boxer Pipeline where the sale takes place. Gas is transported through the Manta Ray and Nautilus pipeline systems delivering gas at the Enterprise owned Neptune gas plant where the gas is processed and NGLs extracted from the gas stream. Revenue is recognised separately at this point for NGLs and residue gas as each product is sold at this point, hence revenue is recognised at a point in time.

Production from Mosquito Bay West and Oyster Bayou South is measured at the wellhead and sent to a third party owned central processing facility where production is processed and commingled with other third party production and exported via sales pipeline. Revenue from the sale of Mosquito Bay West and Oyster Bayou South oil are recognised as liquids are recovered at the termination of the sales pipeline after it has passed through a liquids recovery plant. Gas is delivered to a regional Natural Gas Liquids (NGL) extraction plant where NGLs are extracted and the residue gas delivered to a gas sales pipeline. Revenue for NGLs is recognised at the plant gate after NGLs have been extracted from the raw gas stream, revenue for gas sales is recognised at inlet to the gas sales pipeline, hence revenue is recognised at a point in time.

3. Cost of Sales

	2026 US$'000	2025 US$'000
Gathering and production charges	5,367	5,180
Amortisation of capitalised developments – Note 12	2,079	1,925
Total cost of sales of oil and gas properties	7,446	7,105

4. Exploration expenditure

	2026 US$'000	2025 US$'000
Exploration expenditure – Gulf of America/Gulf Coast	-	6,661
	-	6,661

Recognition and measurement

Costs incurred in the exploration stages of specific areas of interest are expensed against the profit or loss as incurred. All exploration expenditure, including general permit activity, geological and geophysical costs, new venture activity costs and drilling exploration wells, is expensed as incurred.

4. Exploration expenditure (continued)

The costs of acquiring interests in new exploration licences are expensed. Once an exploration discovery has been determined, evaluation and development expenditure from that point on is capitalised in the Consolidated Statement of Financial Position as oil and gas properties.

5. Other expenses

	2026 US$'000	2025 US$'000
i) Finance Costs		
Accretion of decommissioning fund	269	264
Total finance cost	269	264
ii) Administration and other expenses		
Employee benefits expense		
Defined contribution superannuation expense	65	55
Other employee benefits expenses	1,361	1,344
Total employee benefits expense	1,426	1,399
Depreciation expense(i)		
Property, plant and equipment		
Furniture and equipment	1	3
Total depreciation expense	1	3
Corporate and other costs	1,193	950
Business development	50	-
Foreign currency (gains)/losses	(43)	506
	1,200	1,456
Total administration and other expenses	2,627	2,858

(i) Depreciation and amortisation charges are included above in Note 5 Other expenses and Note 3 Cost of sales. Total depreciation and amortisation for the Consolidated Entity is US$2.080 million (2025: US$1.928 million).

6. Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to owners of the Company, excluding any costs of servicing equity (other than dividends), by the weighted average number of ordinary shares, adjusted for the bonus element. There are no potential ordinary shares as all performance rights and options have expired.

6. Earnings per share (continued)

The following table reflects the income and share data used in the basic EPS calculations:

	2026	2025
Profit/(loss) attributable to owners of the Company (US$'000)	4,133	740
Weighted average number of ordinary shares on issue for basic earnings per share (number)	4,795,009,773	4,795,009,773
Basic profit/(loss) per share attributable to owners of the Company (US cents)	0.09	0.02

7. Income tax

	2026 US$'000	2025 US$'000
The components of tax expense comprise:		
Current tax(i)	222	147
Deferred tax – origination and reversal of temporary differences	-	-
Prior period under/ (over) provision(i)	5	(40)
	227	107
Reconciliation of income tax expense to prima facie tax payable:		
Profit/(loss) before income tax	4,360	847
Prima facie income tax at 30%	1,308	254
Difference in overseas tax rates	(509)	(186)
Non-assessable income	-	-
Tax effect of amounts not deductible in calculating taxable income	(466)	437
Benefit of deferred tax assets not brought to account	(111)	(358)
Prior period under/(over) provision(i)	5	(40)
Income tax expense/(benefit)	227	107
Deferred tax assets		
Temporary differences		
– provisions and other corporate costs	(178)	(174)
Deferred tax assets brought to account	(178)	(174)

	2026 US$'000	2025 US$'000
Tax losses - revenue	8,485	7,902
Tax losses - foreign	4,457	5,642
	12,764	13,370
Offset against deferred tax liabilities recognised	(1,170)	(1,888)
Deferred tax assets not brought to account	(11,594)	(11,482)
Deferred tax assets brought to account	-	-

7. Income tax (continued)

	2026 US$'000	2025 US$'000
Offset by deferred tax assets recognised	(1,170)	(1,888)
Deferred tax liabilities brought to account	-	-

(i)Income tax expense relates to US income tax expense.

Recognition and measurement

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Key estimates and judgements

The Group is subject to income taxes in Australia and jurisdictions where it has foreign operations. Significant judgement is required in determining the worldwide provision for income taxes. There are certain transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group estimates its tax liabilities based on the Group's understanding of the tax law operating in the respective jurisdiction. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

In addition, the Group recognises deferred tax assets relating to carried forward tax losses to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation jurisdiction and the same subsidiary against which the unused tax losses can be utilised. However, utilisation of the tax losses depends on the ability of the entity to satisfy certain tests at the time the losses are recouped. In particular for the Group's US based tax losses, significant judgement has been applied in determining the availability of losses which can be used to offset taxable income.

8. Cash and cash equivalents

	2026 US$'000	2025 US$'000
Cash at bank and on hand	3,468	13,644
Restricted Cash US Internal Line of Credit(i)	6,000	-
Restricted Cash US Internal Revenue Service (IRS) Return of Capital withholding(ii)	2,925	-
Term deposits	10,804	1,255
Balance at end of year	23,197	14,899

(i) Otto Energy (USA) Inc and Borealis Petroleum Pty Ltd have entered into an intercompany revolving line of credit to ensure US liquidity during the period in which the Company is funding ongoing operations, reserves for the future winddown of its business, operations and assets and satisfying any contingent asset retirement obligation cash collateral requirements. Under the credit facility agreement, the credit line facility is to be designated as restricted cash for financial reporting purposes and may not be used for any other purpose other than funding draws for purposes stated above.

(ii) Pursuant to US Treasury regulations, Borealis Petroleum Pty Ltd has applied for withholding certificates with respect to a capital return. Pending receipt of such withholding certificates, the Company is required to hold back 15% of the capital return with the holdback being distributed following receipt of the withholding certificate.

9. Reconciliation of profit after income tax to net cash outflow from operating activities

	2026 US$'000	2025 US$'000
Profit after income tax	4,133	740
Non-cash items:		
Impairment expense/(reversal)	771	(1,027)
Depreciation expense – furniture and equipment	1	3
Loss on derivatives at fair value	342	95
Finance costs	269	264
Amortisation of oil and gas properties – see Note 3	2,079	1,925
Other non-cash items	(39)	411
Increase/(decrease) in trade and other receivables	(554)	647
Increase/(decrease) in other assets	151	(699)
(Increase)/decrease in trade and other payables	721	(822)
Decrease in provisions	190	(331)
Net cash inflow from operating activities	8,064	1,206

OPERATING ASSETS AND LIABILITIES

10. Trade and other receivables

	2026 US$'000	2025 US$'000
Trade receivables	1,729	1,143
Other receivables	6	39
	1,735	1,182

11. Other assets

	2026 US$'000	2025 US$'000
Current		
Prepayments and Bonds[(i)]	1,138	1,093
Other assets	147	343
	1,285	1,436
Non-current		
Bonds[(ii)]	375	375
Investments at fair value through P&L[(iii)]	554	575
	929	950

(i) Prepaid insurance (US$1.094 million)
(ii) Development bond for SM 71 (US$0.325 million) and GC 21 (US$0.050 million)
(iii) Fair value of Investment in Minotaur Mineral Development Fund 1, LLC

Recognition and measurement

Other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

12. Oil and gas properties

	2026 US$'000	2025 US$'000
Producing and development assets		
At cost		
SM 71 balance at beginning of year	9,721	9,058
SM 71 expenditure for the year	14	3,987
SM 71 decommissioning for the year	317	741
SM 71 Insurance proceeds	-	(2,382)
SM 71 amortisation of assets	(1,706)	(1,683)
SM 71 balance at end of year	8,346	9,721

12. Oil and gas properties (continued)

	2026 US$'000	2025 US$'000
Lightning balance at beginning of year	902	1,082
Lightning decommissioning for the year	169	(32)
Lightning amortisation of assets	(214)	(148)
Lightning balance at end of year	857	902
GC 21 balance at beginning of year	-	-
GC 21 expenditure/(credits) for the year	(190)	(1,027)
GC 21 decommissioning for the year	(22)	-
GC 21 impairment reversal	212	1,027
GC 21 balance at end of year	-	-
Mosquito Bay West balance at beginning of year	560	481
Mosquito Bay West expenditure for the year	-	142
Mosquito Bay West impairment	(718)	-
Mosquito Bay West decommissioning for the year	208	(1)
Mosquito Bay West amortisation of assets	(50)	(62)
Mosquito Bay West balance at end of year	-	560
Oyster Bayou South balance at beginning of year	150	133
Oyster Bayou South expenditure for the year	-	54
Oyster Bayou South impairment	(265)	-
Oyster Bayou South decommissioning for the year	224	(6)
Oyster Bayou South amortisation of assets	(109)	(31)
Oyster Bayou South balance at end of year	-	150
Total oil and gas properties	9,203	11,333

Recognition and measurement

i) Producing and development assets

Producing projects are stated at cost less accumulated amortisation and impairment charges. Development assets include evaluation, construction, installation or completion of production and infrastructure facilities such as platforms and pipelines, development wells, acquired development or producing assets, capitalised borrowing costs and the estimated costs of decommissioning, dismantling and restoration. Evaluation is deemed to be activities undertaken from the beginning of the definitive feasibility study or testing conducted to assess the technical commercial viability of extracting a resource before moving into the development phase.

Once an exploration discovery has been determined, subsequent evaluation and development expenditure is capitalised to the Consolidated Statement of Financial Position as oil and gas properties as it is probable that future economic benefits associated with the item will flow to the Group. Once such costs are capitalised as oil and gas properties, they will be tested for impairment and assessed for impairment indicators for periods thereafter as prescribed by the relevant accounting standards.
The carrying value of oil and gas properties is reviewed annually by directors to ensure it is not in excess of the recoverable amount.

12. Oil and gas properties (continued)

Prepaid drilling and completion costs

Where the Company has a non-operated interest in an oil or gas property, it may periodically be required to make a cash contribution for its share of the Operator's estimated drilling and/or completion costs, in advance of these operations taking place.

Where these contributions relate to a prepayment for exploratory or early stage drilling activity, prior to a decision on the commerciality of a well having been made, the costs are expensed in profit or loss when the cash call is paid. The Operator notifies the Company as to how funds have been expended and any relevant costs are reclassified from exploration expense and capitalised to deferred oil and gas properties.

Where these contributions relate to a prepayment for well completion, these costs are capitalised as prepaid completion costs within oil and gas properties.

Commencement of production

When a well demonstrates commercial feasibility or comes into commercial production, accumulated development and evaluation expenditure for the relevant area of interest is amortised on a units of production basis.

Amortisation and depreciation of producing projects

The Group uses the units of production (UOP) approach when amortising and depreciating field-specific assets. Using this method of amortisation and depreciation requires the Group to compare the actual volume of production to the reserves and then to apply this determined rate of depletion to the carrying value of the depreciable asset.

Capitalised producing project costs relating to commercially producing fields are depreciated/amortised using the UOP basis once commercial quantities are being produced within an area of interest. The reserves used in these calculations are the proved plus probable reserves (2P) plus (2P) future development costs and are reviewed at least annually.

Key estimates and judgements

Carrying value of oil and gas assets

Judgement is required to determine when an exploration activity ceases and an evaluation or development activity commences. Evaluation is deemed to be activities undertaken from the beginning of the definitive feasibility study or testing conducted to assess the technical commercial viability of extracting a resource before moving into the development phase. Development assets include evaluation, construction, installation or completion of production and infrastructure facilities such as platforms and pipelines, development wells, acquired development or producing assets, capitalised borrowing costs and the estimated costs of decommissioning, dismantling and restoration.

Circumstances vary for each area of interest and where exploration, evaluation and development activities are conducted within a continual timeframe as part of the same project or drilling campaign with common service providers, a degree of estimation is required in determining the amount of costs capitalised as evaluation and development assets under oil and gas properties.

Assessment of costs associated with non-operated interests is also influenced by notification from the Operator as to how funds have been expended.

12. Oil and gas properties (continued)

Impairment

Assets are tested for impairment in line with AASB 136. Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value, which is a product of quantity of reserves, prices, and operating costs, less the cost to sell and value in use.

Due to the interrelated nature of the assumptions, movements in any one variable can have an indirect impact on others and individual variables rarely change in isolation. Additionally, management can be expected to respond to some movements, to mitigate downsides and take advantage of upsides, as circumstances allow. Consequently, it is impractical to estimate the indirect impact that a change in one assumption has on other variables and hence, on the likelihood, or extent, of impairments under different sets of assumptions in subsequent reporting periods.

SM-71

At 31 December 2025, the Company assessed each cash generating unit (CGU) for indicators of impairment. Impairment indicators were identified on SM-71 due to a downgrade of gas reserves within the 2P estimated reserve revisions after shutting in the F5-ST well and placing it on continuous gas lift combined with higher lease operating expenses and recompletion costs.

The Company performed impairment testing as required under AASB 136 and determined that there was no impairment loss. SM-71 recoverable values were calculated using a VIU (value in use) calculation. The estimated future cash flows for the VIU calculation were based on estimates, the most significant of which being hydrocarbon reserves (excluding uncommitted developments), future production profiles, commodity prices, operating costs and committed development costs. The basis of reserves in the SM 71 VIU model was the 31 December 2025 2P estimated reserve volumes provided by Edward Buckle, a qualified external petroleum engineering consultant.

Estimated reserves as at 31 December 2025 on a 2P basis were as follows: Gross (100%) oil 1,521 Mbbl/Gross (100%) gas 542 MMcf. (June 2025: Gross (100%) oil 1,638 Mbbl/Gross (100%) gas 1,536 MMcf).

Estimates of future commodity prices were based on the Group's best estimate of future market prices with reference to external market analyst's forecasts, current spot prices and forward curves. 31 December 2025, production weighted average estimates used in the VIU model were $63/Bbl oil and $3.63/MMBtu gas.
The discount rates applied to the future forecast cash flows are based on the weighted average cost of capital. The post-tax discount rates that has been applied to non-current assets is 15%.

Management have considered sensitivities of the key inputs and assumptions and have concluded a reasonable adverse change in assumptions would not give rise to an impairment.

At 30 June 2026, the Ryder Scott Reserve report estimates were consistent with reserve estimates at 31 December 2025 when impairment testing was carried out. Since 31 December 2025, oil prices have increased due to global instability in the Middel East. Management has determined no impairment indicators were present at 30 June 2026.

GC 21

At 31 December 2023, the Group assessed the GC 21 Bulleit cash generating unit and determined that the carrying value of the GC 21 Bulleit cash generating unit was nil. The basis of reserves in the GC 21 VIU model was the 31 December 2023 2P estimated reserve volumes provided by Ryder Scott, the qualified external petroleum engineering consultant. There is no change to this position at 30 June 2026. A reversal of impairment expense of US$0.190 million was recorded in the current year due to equipment credits received.

12. Oil and gas properties (continued)

Mosquito Bay West and Oyster Bayou South

At 31 December 2025, the Group assessed the Castex cash generating unit which comprises the Mosquito Bay West and Oyster Bayou South wells and determined that the carrying value of the Castex cash generating unit was nil resulting in an impairment loss for the year of US$0.983 million.

The basis of reserves in the Castex VIU model was the 31 December 2025 2P estimated reserve volumes provided by Edward Buckle, a qualified external petroleum engineering consultant.

Estimated reserves as at 31 December 2025 on a 2P basis were as follows: Gross (100%) oil 197 Mbbl/Gross (100%) gas 5,095 MMcf/Gross (100%) NGL's 214 Mbbl. (June 2025: Gross (100%) oil 199 Mbbl/Gross (100%) gas 5,156 MMcf/Gross (100%) NGL's 222 Mbbl).

Estimates of future commodity prices are based on the Group's best estimate of future market prices with reference to external market analyst's forecasts, current spot prices and forward curves. 31 December 2025, production weighted average estimates used in the VIU model were $61/Bbl oil and $3.62/MMBtu gas.

The discount rates applied to the future forecast cash flows are based on the weighted average cost of capital. The post-tax discount rate applied to non-current assets is 15%.

There were no impairment indicators identified for the other assets at 30 June 2026.

Amortisation

Estimation of amortisation of the SM 71, Mosquito Bay West, Oyster Bayou South and Lightning oil and gas assets is based on the updated 2P reserves estimate and estimated future development costs as at 30 June 2026. Producing assets are amortised on a unit of production basis on 2P reserves. The estimated reserves for all fields were compiled by Otto's independent consultant Ryder Scott Company. The method of amortisation necessitates the estimation of oil and gas reserves over which the carrying value of the relevant asset will be expensed to profit or loss. See below for judgements relating to reserve estimates.

Reserve Estimates

Estimation of reported recoverable quantities of proved and provable reserves include judgemental assumptions regarding commodity prices, exchange rates, discount rates and production and transportation cost for future cash flows. It also requires interpretation of complex geological and geophysical models in order to make an assessment of the size, shape, depth and quality of reservoirs and their anticipated recoveries. The economic, geological and technical factors used to estimate reserves may change from period to period. Changes in reported estimated reserves can impact assets' carrying amounts, provision for restoration and recognition of deferred tax assets due to changes in expected future cash flows. Reserves are integral to the amount of depreciation, amortisation and impairment charged to the income statement.

13. Trade and other payables

	2026 US$'000	2025 US$'000
Trade payables	1,198	499
Other accrued expenses	121	108
	1,319	607

14. Provisions

	2026 US$'000	2025 US$'000
Current		
Employee benefits	127	99
Tax(i)	329	166
	456	265
Non-current		
Decommissioning fund – GC 21 Bulleit(ii)	3,854	3,728
Decommissioning fund – Lightning(ii)	234	59
Decommissioning fund – SM 71 (ii)	3,050	2,628
Decommissioning fund – Mosquito Bay(ii)	238	25
Decommissioning fund – Oyster Bayou South(ii)	258	29
	7,634	6,469

(i) Provision for income tax expense relates to US corporate tax (US$0.281 million) and Danish corporate tax (US$0.048 million).

(ii) The total present value of the estimated expenditure required to decommission the wells and facilities. The expenditure is expected to be settled at the end of the field life for the 2P production profile.

Recognition and measurement

Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required, and they are capable of being measured reliably. Liabilities recognised in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.
Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date. Contributions to superannuation plans are expensed when incurred.

Decommissioning fund

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, it is probable that the Group will be required to settle the obligation and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The unwinding of the discount is expensed as incurred and recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as a finance cost.

14. Provisions (continued)

Provision is made for the estimated cost of legal and constructive obligations to restore operating locations in the period in which the obligation arises. The estimated costs are capitalised as part of the cost of the related project where recognition occurs upon acquisition of an interest in the operating locations. The carrying amount capitalised is amortised on a unit of production basis during the production phase of the project.

Work scope and cost estimates for restoration are reviewed annually and adjusted to reflect the expected cost of restoration. The Group accounts for changes in cost estimates on a prospective basis.

Key estimates and judgements

Decommissioning costs will be incurred by the Group at the end of the operating life of some of the Group's facilities and properties. The Group assesses its decommissioning provision at each reporting date. The ultimate decommissioning costs are uncertain and cost estimates can vary in response to many factors, including changes to relevant legal requirements, the emergence of new restoration techniques or experience at other production sites. The expected timing, extent and amount of expense can also change. Therefore, significant estimates and assumptions are made in determining the provision for decommissioning. As a result, there could be significant adjustments to the provisions established which would affect future financial results. The provision at reporting date represents management's best estimate of the present value of the future decommissioning costs required.

CAPITAL STRUCTURE, FINANCIAL INSTRUMENTS AND RISK

15. Contributed equity

	Number of Issued Shares 2025	US$'000 2025	Number of Issued Shares 2026	US$'000 2026
Opening Share capital	4,795,009,773	133,170	4,795,009,773	112,613
Return of Capital	-	(20,557)	-	-
Closing Share Capital	4,795,009,773	112,613	4,795,009,773	112,613

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number and amount paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. The ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Recognition and measurement

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

16. Reserves

	2026 US$'000	2025 US$'000
Share-based payments reserve	10,470	10,470
	10,470	10,470

The share-based payments reserve is used to recognise the value of share-based payments provided to employees (including key management personnel) as part of their remuneration and share options issued as part of advisory consideration.

17. Financial instruments

The Group is exposed to market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed.

Otto's Board of Directors ('Board') is responsible for approving Otto's policies on risk oversight and management and ensuring management has developed and implemented effective risk management and internal controls. Risk management is carried out by the senior executives under these policies which have been approved by the Board. Management identifies, evaluates and, if necessary, hedges financial risks within the Group's operating

17. Financial instruments (continued)

units. The Board then receives reports as required from the Chief Financial Officer in which they review the effectiveness of the processes implemented and appropriateness of policies it sets. At all times during the year, and to the date of this report, the Group did not apply any form of hedge accounting.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk for the Group comprises three types of risk: currency risk, interest rate risk and commodity price risk.

b) Currency risk

Currency risk arises where the value of a financial instrument or monetary item fluctuates due to changes in foreign currency exchange rates. The exposure to currency risk is measured using sensitivity analysis and cash flow forecasting.

The Group's source currency for the majority of revenue and costs is in US dollars. At year end, there is a small exposure to foreign exchange risk arising from the fluctuations in the USD to AUD exchange rate on Australian dollar cash balances and monetary items at year end due to the Group's Australian location.

The Board anticipates returning excess cash to shareholders in Australian dollars. The Company is taking proactive steps to confirm the potential Australian tax implications for any future repatriations to shareholders and executing currency conversions to manage the currency conversion risk from US to Australian dollars in anticipation of this outcome.

In May 2026, Otto entered into a currency forward exchange rate contract to convert US$10 million to AUD at a forward rate of AUD/USD 0.7162 expiring on 31 August 2026. This contract provides Otto with some currency diversification and is in anticipation of a potential return of funds to shareholders in accordance with the Company's strategy, and for general corporate purposes.

A hypothetical change of 10% (2025: 10%) in the Australian dollar exchange rate was used to calculate the Group's sensitivity to foreign exchange rates movements, as this is management's estimate of possible rate movements over the coming year taking into account current market conditions and past volatility. At 30 June 2026, management has assessed that the entity's exposure to foreign exchange movements below:

	2026 US$'000	2025 US$'000
Cash and cash equivalents held in AUD	215	1,378
	215	1,378

The following sensitivity analysis is based on the currency rate risk exposures in existence at the reporting date. The 10.0% sensitivity (2025: 10.0% sensitivity) is based on reasonable possible changes.

17. Financial instruments (continued)

Judgements of reasonably possible movements	Effect on post tax losses Increase/(decrease) 2026 US$'000	2025 US$'000
Increase 10% (2025:10%)	21	138
Decrease 10% (2025:10%)	(21)	(138)

c) Interest rate risk

Interest rate risk is the risk that the Group's financial position will fluctuate due to changes in market interest rates. At 30 June 2026 the Group's exposure to the risk of changes in the market interest rates relates to interest income on cash and cash equivalents held on term deposit with Westpac Banking Corporation in Australia and Bank of America in the United States.

The financial instruments exposed to movements in variable interest rates are as follows:

	2026 US$'000	2025 US$'000
Cash and cash equivalents	13,528	12,445
	13,528	12,445

The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date. The 2.0% sensitivity (2025: 2.0% sensitivity) is based on reasonably possible changes, over a financial year, using an observed range of historical short-term deposit rate movements over the last 3 years.

Judgements of reasonably possible movements	Effect on post tax losses Increase/(decrease) 2026 US$'000	2025 US$'000
Increase 200 basis points (2025:200 basis points)	271	249
Decrease 200 basis points (2025:200 basis points)	(271)	(249)

d) Commodity price risk

Otto derives its net operating revenue from the sale of oil and natural gas. As a result, the Company's net operating revenues are determined, to a large degree, by prevailing oil and natural gas prices. Otto sells its production to purchasers pursuant to sales agreements, with sales prices tied to industry standard published index prices, subject to negotiated price adjustments.

Otto may utilise commodity price hedge instruments to minimise exposure to short-term price fluctuations by using a series of swaps, costless collars and/or puts. The Company evaluates market prices and sensitivities from time to time to determine when it would be appropriate to enter into these hedges. Unrealised gains or losses associated with hedges vary period to period, and are a function of hedges in place, the strike prices of those hedges and the forward curve pricing for the commodities being hedged.

17. Financial instruments (continued)

e) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligation under a financial instrument that will result in a financial loss to the Group. Credit risk arises from the financial assets of the Group, which comprise trade and other receivables and deposits with banks and financial institutions.

To manage credit risk from cash and cash equivalents, it is the Group's policy to only deposit with banks maintaining a minimum independent rating of 'AA', 'A+' or 'A-'. Contracts for the sale of production from SM 71, GC 21 and Lightning are with creditworthy customers and counterparties.

Receivables balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts in the ordinary course of business is not significant. At reporting date no receivables were overdue.

The maximum exposure to credit risk at reporting date was as follows:

	2026 US$'000	2025 US$'000
Cash and cash equivalents	23,197	14,899
Trade and other receivables	1,735	1,182
	24,932	16,081

f) Liquidity risk

Liquidity risk is the risk that Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

It is the policy of the Board to ensure that the Group is able to meet its financial obligations and maintain the flexibility to pursue attractive investment opportunities through the Group maintaining sufficient working capital and access to further funding when required through debt, equity or other means.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows with scenario analysis. As at reporting date the Group had sufficient cash reserves to meet its current requirements and no receivables were overdue. The contractual maturity analysis of payables at the reporting date was as follows:

	Carrying Value US$'000	Total US$'000	Less than 1 year US$'000	Between 1-2 years US$'000	Between 2-5 years US$'000
Trade and other payables					
2026	1,319	1,319	852	450	-
2025	607	607	607	-	-

g) Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while optimisation the potential return to shareholders. The capital structure of the Group at year end comprises 100% equity (2025: 100% equity).

17. Financial instruments (continued)

In determining the funding mix of debt and equity (total borrowings/total equity), consideration is given to the relative impact of the gearing ratio on the ability of the Group to service interest and repayment schedules, credit facility covenants and also to generate adequate free cash available for corporate and oil and gas development and production activities.

h) Equity price risk

The Group has no material exposure to equity price risk on its equity investments at 30 June 2026.

OTHER DISCLOSURES

18. Subsidiaries

Significant investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following principal subsidiaries:

Subsidiaries of Otto Energy Limited	Country of incorporation	Functional currency	Class of shares	Ownership Interest	
				2026 (%)	2025 (%)
Otto Energy (Galoc Investment 1) Aps	Denmark	USD	Ordinary	100	100
Otto Energy (Galoc Investment 2) Aps	Denmark	USD	Ordinary	100	100
GPC Investments SA (dissolved 13/10/2025)	Switzerland	USD	Ordinary	-	100
Borealis Petroleum Pty Ltd	Australia	USD	Ordinary	100	100
Otto Energy Resources Corporation (Delaware)	USA	USD	Ordinary	100	100
Otto Energy (USA) Inc	USA	USD	Ordinary	100	100
Otto Energy (Louisiana) LLC	USA	USD	Ordinary	100	100
Otto Energy (Gulf One) LLC	USA	USD	Ordinary	100	100
Otto Energy (Gulf Two) LLC	USA	USD	Ordinary	100	100
Otto Operating LLC	USA	USD	Ordinary	100	100

19. Interest in operations

a) Operations

The Group’s share of the assets, liabilities, net operating revenues and expenses of operations have been incorporated into the financial statements in the appropriate items of the Consolidated Statement of Profit or Loss and Other Comprehensive Income and Consolidated Statement of Financial Position.

The Group’s interest in operations is detailed below. Oil and Gas exploration and production is the principal activity performed across these assets.

		2026	2025
Asset	Country	Group WI	Group WI
South Marsh Island 71	USA	50%	50%
Lightning	USA	37.1%	37.5%
GC 21	USA	16.67%	16.67%
Mosquito Bay West	USA	30%	30%
Oyster Bayou South	USA	30%	30%

b) Commitments through interests in operations

The aggregate of the Group’s commitments through its interests in operations is nil.

20. Related parties

	2026 US$	2025 US$
Key management personnel compensation		
Short-term employee benefits	887,422	883,804
Post-employment benefits	66,646	54,960
Other benefits	3,315	47,988
Termination benefits	-	80,000
Total USD	957,383	1,066,752

21. Auditor's remuneration

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2026 US$	2025 US$
BDO Audit Pty Ltd		
Audit and review of financial statements	87,114	66,605
Tax compliance services	2,035	6,841
Tax consulting and tax advice	1,343	52,363
Total remuneration of BDO Audit Pty Ltd	90,493	125,809
Network firms of BDO Audit Pty Ltd		
Audit and review of financial statements	5,302	14,010
Tax compliance services	27,025	16,940
Total remuneration of network firms of BDO Audit Pty Ltd	32,327	30,950
Total	122,820	156,759

It is the Group's policy to employ BDO on assignments additional to their statutory audit duties where BDO's expertise and experience with the Group are important. These assignments are principally tax advice where BDO is awarded assignments on a competitive basis. It is the Group's policy to seek competitive tenders for all major consulting projects.

22. Contingent assets and liabilities

On 29 June 2024 a new BOEM rule entitled "Risk Management and Financial Assurance for OCS Lease and Grant Obligations" (the "2024 Rule") took effect. The 2024 Rule significantly increased the amount of supplemental financial assurance required from lessees and grant holders and accelerated the timing for providing it. Under the 2024 Rule a lessee is exempt from providing supplemental financial assurance only if it satisfies one of two tests: it holds an investment grade credit rating, or the value of the proved oil and gas reserves attributable to the lease sufficiently exceeds the estimated decommissioning liability associated with those reserves. BOEM subsequently indicated that it expected to take up to 24 months from the issue of notices to companies to process financial assurance demands for execution.

22. Contingent assets and liabilities (continued)

The 2024 Rule was never fully implemented. Following the change of US administration and Executive Order 14154 (Unleashing American Energy) of 20 January 2025, the US Department of the Interior announced on 2 May 2025 that it intended to revise or replace the 2024 Rule with a less onerous, risk-based framework of the kind proposed in 2020. The 2024 Rule is also the subject of legal challenge by industry associations and a number of US states in the US District Court for the Western District of Louisiana; those proceedings are presently stayed.

On 9 March 2026 the US Department of the Interior, acting through BOEM, published a proposed replacement rule for public comment. Broadly, the proposed rule would reduce both the number of companies required to provide supplemental financial assurance and the amounts required. Among other things, it would lower the credit rating standard from investment grade to sub-investment grade, allow BOEM to take account of the financial strength of former owners of a lease who remain liable for decommissioning, adopt a less conservative basis for estimating decommissioning costs, and give existing leaseholders a fresh three-year period in which to provide any assurance ultimately demanded. The public comment period closed on 15 May 2026. As at the date of this report no final rule has been made, and the timing and final form of any rule remain uncertain. BOEM has noted that, notwithstanding the overall reduction contemplated by the proposal, some companies may nonetheless be required to provide additional assurance because the 2024 Rule was never fully implemented.

Separately, on 10 July 2026 the US Secretary of the Interior issued Secretarial Order No. 3451, which established the Marine Minerals Administration and reunited BOEM with the Bureau of Safety and Environmental Enforcement (“BSEE”) into that single new bureau with immediate effect. All existing regulations and standards remain in force under the authority of the Marine Minerals Administration, and the transition is being implemented in phases, with BOEM and BSEE retaining operational authority in the interim. The organisational structure of the new bureau is to be finalised within nine months of the Order.

In summary, Otto’s financial assurance position is subject to a regulatory framework in transition: the 2024 Rule remains in force but has not been enforced in full, a replacement rule has been proposed but has not been made, and the regulator itself is being restructured.

As at the date of this report Otto has not received any demand from BOEM for supplemental financial assurance. The actual exposure is unknown at balance date and uncertainty continues to remain on the timing, amount and implementation of this ruling. Management estimates a maximum exposure of the decommissioning liability associated with the GC 21 reserves at 30 June 2026 of $3.9 million (Otto’s share) based on published decommissioning estimates (Refer Note 14 Provisions, for Decommissioning obligations). Otto nonetheless retains cash on its balance sheet consistent with its estimate of the supplemental financial assurance that would be required under the 2024 Rule, as any surety bond obtained to satisfy a demand would be expected to require full cash collateral.

23. Commitments

a) Exploration and capital expenditure commitments

There were no exploration expenditure or capital expenditure commitments contracted for at the reporting date but not recognised as liabilities.

24. Events after the reporting period

No matters or circumstances have arisen since 30 June 2026 that have significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years apart from those listed below:

- On 2 July 2026, Otto Energy (USA) received the US Internal Revenue Service withholding tax certificate relating to a US$12.500 million return of capital from Otto Energy (USA) to Borealis Petroleum Pty Ltd confirming nil withholding tax applicable. US$1.875 million is no longer required to be classified as restricted cash as at this date.
- On 14 August 2026, Otto Energy Limited signed a release of the guarantee in place to Byron Energy Inc, for the performance of Otto Energy (Louisiana) LLC's obligations in relation to SM 71.
- On 9 September 2026, Otto Energy (USA) received the US Internal Revenue Service withholding tax certificate relating to a US$7.000 million return of capital from Otto Energy (USA) to Borealis Petroleum Pty Ltd confirming nil withholding tax applicable. US$1.050 million is no longer required to be classified as restricted cash as at this date
- On 10 September 2026 the Company released its statement of reserves and prospective resources as at 30 June 2026. The reserves were compiled by Otto's independent consultant Ryder Scott Company and covered SM 71, Lightning, GC 21, Mosquito Bay West and Oyster Bayou South. The contingent and prospective resources covered SM 71 and Lightning. The summary statement of reserves and resources as at 30 June 2026 and changes to reserves and resources since 30 June 2025 is set out in the Production and Development section of this Directors' Report. For full details refer to ASX release dated 13 August 2026.
- As announced on 10 September 2026, the Gulf of America asset sale process did not result in an actionable opportunity to monetise the Gulf of America assets as a combined package and management will continue to ascertain interest for SM 71 whilst evaluating alternative strategies for GC 21.

25. Parent entity disclosures

As at, and throughout the financial year ended 30 June 2026, the parent company of the Group was Otto Energy Limited.

	2026 US$'000	2025 US$'000
	Parent entity	
Summarised statement of profit or loss and other comprehensive income		
Profit/(loss) for the year after tax	4,133	740
Total comprehensive profit/(loss) for the year	4,133	740
Summarised statement of financial position		
Current assets	17,468	1,517
Non-current assets	9,695	21,145
Total assets	27,163	22,662
Current liabilities	564	196
Non-current liabilities	-	-
Total liabilities	564	196
Net assets	26,599	22,466

25. Parent entity disclosures (continued)

Total equity of the parent entity comprises:		
Share capital	112,613	112,613
Share based payments reserves	10,470	10,470
Dividend paid	-	(4,474)
Retained earnings	(96,484)	(96,143)
Total equity	26,599	22,466

Guarantees entered into by the parent in relation to the debts of its subsidiaries

Parent company guarantees are extended on a case-by-case basis. Otto Energy Limited has provided a number of performance guarantees for subsidiaries under the terms of joint operations operating agreements, participation agreements and agreements with Governments pertaining to oil & gas exploration.

Otto Energy Limited has a guarantee in place to Byron Energy Inc, for the performance of Otto Energy (Louisiana) LLC's obligations in relation to SM 71.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025 beyond those listed in Note 22.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the Group, except for the following: Investments in subsidiaries are accounted for at cost, less any impairment in the parent entity.

26. New accounting standards and interpretations

The Australian Accounting Standard Board approved AASB 18 Presentation and Disclosure of Financial Statements for application by Australian entities preparing financial statements in accordance with Australian Accounting Standards. AASB 18 replaces AASB 101 Presentation of Financial Statements and is effective for the Group's annual accounts ending 30 June 2028.

Basis of preparation

The consolidated entity disclosure statement has been prepared in accordance with the Corporations Act 2001, reflecting the amendments to section 295 (3A)(vi) and (vii) which clarify the definition of foreign resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. The Consolidated Entity Disclosure Statement includes the required information for Otto Energy Limited and the entities it controls in accordance with AASB 10 Consolidated Financial Statements.

Tax Residency

S295(3A)(vi) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency may involve judgement as there are different interpretations that could be adopted and which could give rise to different conclusions regarding residency. In determining tax residence, the Group has applied the following interpretations:

Australian Tax Residency

Current legislation and judicial precent has been applied, including having regard to the Tax Commissioner's public guidance.

Foreign Tax Residency

Where appropriate, independent tax advisors have been engaged to assist in the determination of tax residence to ensure applicable foreign tax legislation has been complied with.

Name of entity	Type of entity	Trustee, partner or participant in joint venture	% of share capital held	Country of incorporation	Australian resident	Foreign tax jurisdiction
Otto Energy Limited	Body corporate	n/a	n/a	Australia	Yes	n/a
Otto Energy (Galoc Investment 1) Aps	Body corporate	n/a	100%	Denmark	No	Denmark
Otto Energy (Galoc Investment 2) Aps	Body corporate	n/a	100%	Denmark	No	Denmark
Borealis Petroleum Pty Ltd	Body corporate	n/a	100%	Australia	Yes	n/a
Otto Energy Resources Corporation (Delaware)	Body corporate	n/a	100%	USA	No	USA
Otto Energy (USA) Inc	Body corporate	Participant in joint venture	100%	USA	No	USA
Otto Energy (Louisiana) LLC	Body corporate	Participant in joint venture	100%	USA	No	USA
Otto Energy (Gulf One) LLC	Body corporate	Participant in joint venture	100%	USA	No	USA
Otto Energy (Gulf Two) LLC	Body corporate	Participant in joint venture	100%	USA	No	USA
Otto Operating LLC	Body corporate	n/a	100%	USA	No	USA

DIRECTORS' DECLARATION

For the year ended 30 June 2026

In accordance with a resolution of the Directors of Otto Energy Limited, I state that:

1. In the opinion of the Directors:
    a. the financial statements, notes and the additional disclosures included in the audited 2026 Remuneration Report, comply with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and other mandatory professional reporting requirements;
    b. the financial statements and notes give a true and fair view of the financial position of the Group as at 30 June 2026 and of its performance for the year ended on that date;
    c. the financial statements and notes comply with International Financial Reporting Accounting Standards as disclosed in the 'Basis of Preparation' section within the notes to the 2026 Financial Report;
    d. the consolidated entity disclosure statement is true and correct; and
    e. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the year ended 30 June 2026.

On behalf of the Board

Mr Justin Clyne
Chairman
17 September 2026

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INDEPENDENT AUDITOR'S REPORT

To the members of Otto Energy Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Otto Energy Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

i) Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year ended on that date; and

ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying Value of Oil and Gas Properties

Key audit matter	How the matter was addressed in our audit
The Group's carrying value of oil and gas properties as disclosed in note 12 to the financial statements represents a significant asset to the Group and is comprised of several Cash Generating Units ("CGUs"). The Australian Accounting Standards require the Group to assess whether there are any indicators that oil and gas properties may be impaired. The Group concluded there were impairment indicators identified during the year as disclosed within note 12 to the financial report. Accordingly, the Group was required to estimate the recoverable amounts of the CGUs in accordance with the Australian Accounting Standards from which a CGU was fully impaired. The assessment of impairment is complex and contains a number of estimates and judgements. The key judgements and estimates used in the group's impairment assessment are disclosed in note 12 to the financial report. Accordingly, this matter was considered to be a key audit matter.	The procedures performed to address the KAM included but were not limited to: • Assessing the appropriateness of the Group's categorisation of Cash Generating Units ("CGUs") and the allocation of assets to the carrying value of CGUs based on our understanding of the Group's business and internal reporting; • Review management's assessment of impairment indicators for oil & gas properties in accordance with AASB 136; • Assessing management's valuation methodology applied in estimating the recoverable value; • Comparing reserve estimates from management's experts to determine whether the data has been correctly included in the impairment models. This included evaluating the competency and objectivity of management's experts; • Reviewing the accuracy and integrity of management's value in use models; • Challenging key inputs used in the value in use calculation including but not limited to the following: - Assessing the appropriateness of the discount rates applied; - Evaluating management's oil and gas price assumptions against external market data; and - Evaluating the reasonableness of forecasted operating and production costs against actuals and source documentation where possible; • Reviewing the Directors' meeting minutes and ASX announcements for evidence of consistency of information with management's assessment of the carrying value of respective CGUs; and • Assessing the adequacy and appropriateness of the related disclosures in the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information contained in the Group's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error. In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 22 to 29 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Otto Energy Limited, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

Ashleigh Woodley

Director

Perth, 17 September 2026

ADDITIONAL ASX INFORMATION

As at 17 August 2026

Distribution of shareholdings

Range	Number of holders	Number of shares
1 – 1,000	42	5,657
1,001 – 5,000	13	44,580
5,001 – 10,000	24	211,636
10,001 – 100,000	320	22,234,980
100,001 and over	1,061	4,772,512,920
Total	1,460	4,795,009,773

Shareholders by location

	Number of holders	Number of shares
Australian holders	1,415	4,434,504,698
Overseas holders	45	360,505,075
	1,460	4,795,009,773

Unmarketable parcels

There were 233 shareholders holding less than a marketable parcel of shares.

Twenty largest shareholders

	Name	Ordinary shares	
		Number of shares	%
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,311,795,852	48.21%
2	BNP PARIBAS NOMINEES PTY LTD	323,534,669	6.75%
3	CITICORP NOMINEES PTY LIMITED	217,552,771	4.54%
4	BOOM SECURITIES (HK) LIMITED	261,568,071	5.46%
5	BNP PARIBAS NOMS PTY LTD	170,057,905	3.55%
6	NEWMEK INVESTMENTS PTY LTD	108,677,775	2.27%
7	BNP PARIBAS NOMINEES PTY LTD	89,395,384	1.86%
8	MR KENNETH JOSEPH HALL	86,000,000	1.79%
9	MRS MARIA CZARNOCKA	43,500,000	0.91%
10	ASB NOMINEES LIMITED	35,000,000	0.73%
11	MR DOUGAL JAMES FERGUSON	31,340,000	0.65%
12	SANDHURST TRUSTEES LTD	30,740,905	0.64%
13	GRAHAM NEWMAN PTY LTD	30,566,416	0.64%
14	MR ANASTASIOS MAZIS	30,022,091	0.63%
15	MR NEIL DAVID OLOFSSON & MRS BELINDA OLOFSSON	25,050,000	0.52%
16	LITTLE TREES CAPITAL MANAGEMENT PTY LTD	24,369,457	0.51%
17	SHENTON JAMES PTY LTD	23,000,000	0.48%
18	MR JAMES ANDREW NEILSON	20,750,000	0.43%
19	MS VIRGINIA LOUISE WALLACE & MR NICHOLAS MICHAEL KEPHALA	20,092,947	0.42%
20	OU HU FAMILY PTY LTD	19,500,000	0.41%
	Total Top 20 Shareholders	**3,902,514,243**	**81.39%**
	Total Remaining Shareholders	892,495,530	18.61%
	Total Shares on Issue	**4,795,009,773**	**100.00%**

ADDITIONAL ASX INFORMATION

As at 17 August 2026

Substantial shareholders

Name	Ordinary shares	
	Number of shares	%
Molton Holdings Limited	2,305,859,697	48.09%

Unquoted securities

There are no unlisted securities of the Company.

Voting rights

Ordinary shares

In accordance with the Company's Constitution, on a show of hands every shareholder present in person or by proxy, attorney or representative of a shareholder has one vote and on a poll every shareholder present in person or by proxy, attorney or representative of a shareholder has in respect of fully paid shares, one vote for every share held.

Options and Performance Rights

There were no options and no performance rights on issue as at 30 June 2026.

Corporate governance

The Company's Corporate Governance Statement can be accessed at www.ottoenergy.com