



THE PHILODRILL CORPORATION

QUAD ALPHA CENTRUM, 125 PIONEER, MANDALUYONG CITY, PHILIPPINES
TEL. NOS. 631-1801 TO 05 ; 631-8151/52 ; FAX: (632) 631-8080 , (632) 631-5310

October 21, 2013

THE DISCLOSURE DEPARTMENT


3/F The Philippine Stock Exchange
Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

Attention: **MS. JANET A. ENCARNACION**
Head, Disclosure Department

Gentlemen:

We submit herewith a copy of Otto Energy's press release today, October 21, 2013, in the Australian Stock Exchange. The press release has been reviewed and cleared by the Department of Energy this afternoon.

Very truly yours,


ROSANNE MARIE D. RAMIREZ
Assistant Corporate Secretary

21 October 2013

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

By E-Lodgement

GALOC-6H WELL SUCCESSFULLY TESTED

Highlights:

- Galoc-6H well successfully flowed to surface as part of well clean-up and testing operations.

Otto Energy Limited ("Otto") (ASX:OEL), as operator of the producing Galoc oilfield joint venture offshore the Philippines, provides the following update on the Galoc-5H and Galoc-6H drilling campaign in SC14C.

Progress

During the period from 0600 hours (AWST) on 16th October 2013 to 0600 hours (AWST) on 21st October 2013, the subsea tree installation, well clean-up and flow test operations were successfully completed on the Galoc-6H well.

The Galoc-6H well has successfully flowed oil to surface from the Galoc Clastic Unit (GCU) with the well flowing at a stable rate of 3,800 barrels per day ("bopd") on a 56/64" choke setting with a flowing tubing pressure ("FTP") of ~570 psi. Operations were conducted via the drilling rig "Ocean Patriot" and oil was flared at the location.

The initial oil deliverability potential from Galoc-6H under normal field operating conditions is expected to be between 4,000 and 6,000 bopd with final operating rates to be set according to optimum facility and reservoir management constraints. The results from this flow test are in line with the forecast overall field production rate of 12,000 bopd to be delivered once Phase II is brought in to production in late November 2013.

Forward Plan

The forward plan is to secure the Galoc-6H well ready for hook-up operations due to take place through November. This completes the infield drilling operations phase of the Galoc Phase II project and the drilling rig will pull anchors and demobilise to Singapore.

OTTO AT A GLANCE

- ASX-listed oil and gas company with a strategy to grow its integrated oil and gas business across exploration, development and production
- Focused on South East Asia and East Africa
- Operator of the producing Galoc oil field in the Philippines, which provides cashflow
- Opportunity rich with substantial exploration prospects and leads

COMPANY OFFICERS

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

--Ends--