

27 January 2006

Manager of Company Announcements
Australian Stock Exchange Limited
Level 6, 20 Bridge Street
SYDNEY NSW 2000

By E-Lodgement

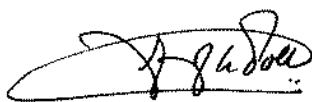
NOTICE UNDER SECTION 708A

The Board of Ottoman Energy Limited ("Ottoman") advises that in respect of the Company's Placement announced on 17 January 2006, 6,000,000 of the Placement Shares have been issued at an issue price of \$0.20 per share, with the balance of 3,000,000 Placement Shares being subject to shareholder approval. The Placement Options (listed option exercisable at \$0.20 on or before 1 December 2006) are all subject to shareholder approval. An Appendix 3B in respect of the Placement is attached.

The Company gives notice pursuant to Section 708A(5)(e) of the Corporations Act that the Shares issued pursuant to the Placement were issued without disclosure to investors under Part 6D.2, in reliance on Section 708A(5) of the Corporations Act. The Company, as at the date of this notice, has complied with the provisions of Chapter 2M of the Corporations Act and Section 674 of the Corporations Act. There is no excluded information to be disclosed for the purposes of Sections 708A(7) and (8) of the Corporations Act.

For and on behalf of the Board.

Yours faithfully



Dr Jaap Poll
Managing Director

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

OTTOMAN ENERGY LIMITED

ABN

56 107 555 046

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | Ordinary Fully Paid Shares (quoted);
Options (quoted) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 9,000,000 Ordinary Fully Paid Shares;
9,000,000 Options (20 cents on or before 1 December 2006) |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 6,000,000 Ordinary Fully Paid Shares

3,000,000 Ordinary Fully Paid Shares (subject to Shareholder Approval)

9,000,000 Listed Options exercisable at \$0.20 on or before 1 December 2006 (subject to Shareholder Approval) |

+ See chapter 19 for defined terms.

4	Do the ⁺ securities rank equally in all respects from the date of allotment with an existing ⁺ class of quoted ⁺ securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes						
5	Issue price or consideration	9,000,000 Shares at an issue price of \$0.20 per Share with one free attaching Option (listed option exercisable at \$0.20 on or before 1 December 2006) for every one share subscribed to raise \$1.8 million.						
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Funds will be used for the completion of drilling in the Thrace Basin Turkey, costs relating to the Philippines assets and working capital.						
7	Dates of entering ⁺ securities into uncertificated holdings or despatch of certificates	6,000,000 Shares – 30 January 2006 3,000,000 Shares & 9,000,000 Options – subject to shareholder approval.						
8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 2 if applicable)	<table><tr><th>Number</th><th>⁺Class</th></tr><tr><td>46,483,150 *</td><td>Ordinary Fully Paid Shares</td></tr><tr><td>27,609,700 **</td><td>Options (20 cents on or before 1 December 2006)</td></tr></table>	Number	⁺ Class	46,483,150 *	Ordinary Fully Paid Shares	27,609,700 **	Options (20 cents on or before 1 December 2006)
Number	⁺ Class							
46,483,150 *	Ordinary Fully Paid Shares							
27,609,700 **	Options (20 cents on or before 1 December 2006)							

* 3,000,000 Ordinary Fully Paid Shares subject to Shareholder Approval; and

** 9,000,000 Options (20 cents on or before 1 December 2006) subject to Shareholder Approval

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	
	11,613,100	Ordinary Fully Paid Shares (subject to escrow until 22 December 2006)
	9,881,550	Options exercisable at 20 cents on or before 1 December 2006 (subject to escrow until 22 December 2006)
	2,500,000	Performance Shares (subject to escrow until 22 December 2006)
	1,000,000	Director Options exercisable at 25 cents on or before 1 December 2007
	1,000,000	Director Options exercisable at 30 cents on or before 1 December 2007
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	
	Participation available from the date of issue.	

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A

+ See chapter 19 for defined terms.

17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A

⁺ See chapter 19 for defined terms.

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|----|--|-----|
| 30 | How do +security holders sell their entitlements <i>in full</i> through a broker? | N/A |
| 31 | How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | N/A |
| 32 | How do +security holders dispose of their entitlements (except by sale through a broker)? | N/A |
| 33 | +Despatch date | N/A |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)					
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Company Secretary

Date: 27 January 2006

Print name: Nicki Telfer

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+ See chapter 19 for defined terms.