

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Rialto Energy Limited

ABN

17 117 227 086

Quarter ended ("current quarter")

31 March 2012

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(21,145)	(33,444)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	133	506
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
<b>Net Operating Cash Flows</b>	<b>(22,395)</b>	<b>(37,265)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(75)	(368)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material) - Payment of final holdback in relation to the 75% acquisition of C+LNR	-	(76)
<b>Net investing cash flows</b>	<b>(75)</b>	<b>(444)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(22,470)</b>	<b>(37,709)</b>

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1.13	Total operating and investing cash flows (brought forward)	(22,470)	(37,709)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	64,267	64,267
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		(21)
	<b>Net financing cash flows</b>	64,267	64,246
	<b>Net increase (decrease) in cash held</b>	41,797	26,537
1.20	Cash at beginning of quarter/year to date	44,367	59,096
1.21	Exchange rate adjustments to item 1.20	412	943
1.22	<b>Cash at end of quarter</b>	86,576	86,576

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	292
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 includes aggregate amounts paid to directors including salaries, directors' fees and consulting fees

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

**Financing facilities available**

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities		
3.2	Credit standby arrangements		

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**Estimated cash outflows for next quarter**

		\$A'000
4.1	Exploration and evaluation	53,433
4.2	Development	
4.3	Production	
4.4	Administration	2,133
<b>Total</b>		<b>55,566</b>

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	40,311	5,322
5.2 Deposits at call	46,220	39,000
5.3 Bank overdraft		
5.4 Other (provide details) - Term Deposit	45	45
<b>Total: cash at end of quarter</b> (item 1.22)	<b>86,576</b>	<b>44,367</b>

**Changes in interests in mining tenements**

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements acquired or increased				

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**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Performance shares</b> <i>-When performance hurdles met</i>	15,000,000	-	Tranche 1 Consideration for the acquisition of CLNR Holdings	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>*Ordinary securities</b>	618,310,224	607,640,124		Fully Paid
7.4 Changes during quarter (a) Increases through issues	55,250,000 24,303,960 144,750,000 500,000	55,250,000 24,303,960 144,750,000 500,000	\$0.30 \$0.30 \$0.30 \$0.35	Fully Paid Fully Paid Fully Paid Fully Paid
	17,500,000	6,829,900	Consideration for the acquisition of C+L Natural Resources	Fully Paid
	1,000,000	1,000,000	Conversion of employee performance rights vested	Fully Paid
(b) Decreases through returns of capital, buy-backs				
7.5 <b>*Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				

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7.7	<b>Options</b> (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
	- Unlisted (4)	3,560,000		\$0.40	30 June 2012
	- Unlisted (5)	250,000	-	\$0.45	31 July 2012
	- Unlisted (6)	666,667	-	\$0.70	31 October 2012
	- Unlisted (7)	250,000	-	\$0.55	30 September 2012
	- Unlisted (8)	650,000	-	\$0.60	31 January 2013
	- Unlisted (9)	500,000	-	\$0.45	31 March 2013
	- Unlisted (10)	2,600,000	-	\$0.25	31 May 2013
	- Unlisted (11)	2,025,000	-	\$0.50	31 May 2013
	- Unlisted (12)	250,000	-	\$0.60	31 July 2013
	- Unlisted (13)	250,000	-	\$0.70	30 September 2013
	- Unlisted (14)	500,000	-	\$0.60	31 March 2014
	- Unlisted (15)	250,000	-	\$0.70	31 July 2014
	- Unlisted (16)	2,900,000	-	\$0.40	28 June 2015
	- Unlisted (17)	900,000	-	\$0.60	28 June 2015
	- Unlisted (18)	9,900,000	-	\$0.25	21 July 2015
	- Unlisted (19)	900,000	-	\$0.40	28 June 2016
	- Unlisted (20)	900,000	-	\$0.60	28 June 2016
	- Unlisted (21)	900,000	-	\$0.40	28 June 2017
	- Unlisted (22)	900,000	-	\$0.60	28 June 2017
	- Unlisted (23)	600,000	-	\$0.60	1 January 2014
	- Unlisted (24)	600,000	-	\$0.80	1 January 2016
	- Unlisted (25)	750,000	-	\$0.60	1 May 2014
	- Unlisted (26)	750,000	-	\$0.80	1 May 2016
	- Unlisted (27)	166,666	-	\$0.60	1 August 2013
	- Unlisted (28)	166,666	-	\$0.80	1 August 2015
	- Unlisted (29)	1,250,000	-	\$0.60	7 December 2014
	- Unlisted (30)	1,250,000	-	\$0.80	7 December 2014
	- Unlisted (31)	1,000,000	-	\$0.60	15 August 2015
	- Unlisted (32)	4,050,000	-	\$0.43	21 December 2016
	- Unlisted (33)	750,000	-	\$0.63	9 February 2017
7.8	Issued during quarter				
	- Unlisted (33)	750,000	-	\$0.63	9 February 2017
7.9	Exercised during quarter				
	- Unlisted (3)	500,000	-	\$0.35	31 March 2012
7.10	Expired during quarter		-		
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

+ See chapter 19 for defined terms.

### Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  ..... Date: 30 April 2012  
(Managing Director)

Print name: Jeffrey Schrull

### Notes

- 1 The quarterly report provides a basis for informing the market how the entity’s activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities:** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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