

Rise up with Rialto

Buy ahead of independent audit of Côte d'Ivoire assets

Tom Sieber

Pick up oil explorer **Rialto Energy (RIA:AIM)** ahead of results from a revised audit of the CI-202 block offshore Côte d'Ivoire. The audit results are due in October following a three-well drilling programme.

The £62 million cap has more than halved since it floated on Aim in April. The market has reacted negatively to a number of operational issues, but the sell-off has created an interesting entry opportunity ahead of the release of the updated competent person's report (CPR) for CI-202.

The CPR may contain upgrades to the Côte d'Ivoire property's contingent resource and prospective resource. The asset's contingent

and prospective oil resources presently stand at 55 million barrels (mmbbls) and 511 mmbbls respectively. Its contingent and prospective gas resources are 396 billion cubic feet (bcf) and 1,785 bcf.

Last month (30 Aug) state-owned energy firm Petroci exercised an option to increase its total interest in CI-202 to 26%. This reduced Rialto's stake to 74% but also demonstrated confidence in the block's development plans.

Early next year Rialto is planning to commence a multi-well programme of exploration and appraisal across its Cote d'Ivoire acreage. But - with an estimated \$80 million required for this work - it will need to consider a farm-out deal ahead of drilling.

Shares says: + BUY at 9.4p.

