

**Company: Rialto Energy**  
**Analyst: DJ Carmichael**  
**Recommendation: speculative buy**  
**Target price: 86c (12-month)**

Rialto Energy's Ivory Coast drilling campaign could add material value to the company's share price if DJ Carmichael is to be believed.

Rialto began a three-well campaign on block CI-202, offshore Ivory Coast, earlier this month with the spudding of the Gazelle-P3 appraisal well.

The three wells are aimed at proving the commercial viability of the Gazelle field ahead a final investment decision by the middle of this year.

Rialto said the field had the capability to produce 8000 barrels of oil and 100 million cubic feet of gas per day.

First production from the field is expected in the fourth quarter of 2013.

Gazelle-P3 is one of two appraisal wells to be drilled in the current program.

The two appraisal wells have the potential to convert 2C resources of 14 million barrels of oil and 266 billion cubic feet of gas into reserves.

The third well in the program will target the high risk, high reward Chouette prospect.

The prospect is estimated to contain 84MMbbl of oil and 42Bcf of gas and could be tied back to the Gazelle development hub if commercial.

DJ Carmichael said the two appraisal wells could add around 13c per share to Rialto while success at Chouette could add a material 80c per share.

The broker maintained its speculative buy recommendation with a 12-month price target of 86c.

Shares in Rialto were yesterday trading at 44.5c.