

# Rialto announces \$60m capital raising

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**Category:** [Resources](#) [Gas](#) [Oil](#)

Oil and gas explorer Rialto Energy has announced a \$60 million capital raising initiative to fund a three well drilling campaign at its Gazelle gas field off the coast of Cote' d'Ivoire.

Perth-based Rialto said it would launch a two tranche placement to institutional and sophisticated investors, priced at 30 cents per share.

The first tranche will comprise 55.25 million ordinary shares to raise around \$16.6 million, while the second tranche will be of 144.75 million shares, to raise \$43.4 million.

Euroz Securities and RBC Capital Markets acted as joint lead managers and co-book runners to the placement, with GMP Securities acting as broker.

Also, Rialto said it would launch a shareholder share purchase plan, subject to a total cap of \$8 million.

The raising follows Rialto's previous announcement regarding a proposed \$US20 million investment by International Finance Corporation, also priced at 30 cents per share.

Managing director Jeff Schrull said the placement would facilitate a three-well drilling program scheduled to commence at Gazelle this quarter.

"together with the proposed IFC investment, Rialto will be well-placed to pursue its two well development and Chouette prospect exploration well campaign at Gazelle followed by pre-FEED for the first phase of development of the Gazelle oil and gas field," Mr Schrull said in a statement to the ASX.

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"Along with an agreed listing on AIM later this quarter, we have a very busy year ahead of us which should allow us to progress to FID and book reserves on successful drilling results.

"Following on from the government approval of the Gazelle FDP and gas sale MOU also with the government of Cote d'Ivoire late last year, we expect that 2012 should be a significant milestone year for Rialto and its shareholders."

At 12:00PM WST Rialto stocks had slipped 4.2 per cent, to trade at 33.5 cents.

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