

Rialto to raise \$60m in placement

The West Australian
January 27, 2012, 8:13 am

 Recommend

 Tweet

 Email

 Print

Rialto Energy says it will raise \$60 million in a placement to fund further exploration and development of its oil and gas projects off Côte d'Ivoire.

The two-tranche raising will be priced at 30 cents and be supplemented by an \$8 million share purchase plan for retail investors.

The raising follows on from a \$US20 million investment by International Finance Corporation.

Rialto, which is planning to shift its head office from Perth to London and list on the AIM, announced last year it had received government approval for its field development plan for the Gazelle Field off Cote d'Ivoire.

The approval allows the company to expedite development of Gazelle with targeted production start-up in the fourth quarter of 2013.

Rialto has also signed a take-or-pay gas sales agreement which is expected to be finalised before a final investment decision in the middle of the year.

Funds raised in the placement will help pay for the company's upcoming three-well drilling program, expected to begin this quarter.

Rialto's managing director Jeff Schrull said the company was 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 project.

Rialto shares were off half a cent to 34.5 cents at 8.10am.

Publication: The West Australian (Online)