**Rialto Energy Limited**
208 Bagot Road
Subiaco 6008
Western Australia

ACN 117 227 086

# Report for Quarter ended 30 September 2009

## Highlights

- **WA-291-P: Rialto 100% interest**
- **WA-399-P: Evaluation progressing**
- **New Exploration and Development opportunities continue to be assessed**
- **Cash position - A$3.96 million**
- **Nil debt**

### *Operations Summary*

*WA-291-P (Rialto 100% & Operator)*

Rialto Energy Ltd ("Rialto" or the "Company") has developed a risked and ranked leads and prospects portfolio based on re-mapping of all available reprocessed 2D seismic data. Two significant new leads, Sparta and Jamathi, are being matured with additional geologic and geophysical work consistent with the Year 4 work program commitments.

Rialto is actively pursuing farminees to continue the evaluation of the new leads identified within WA-291-P.

*WA-399-P (Rialto 50%)*

During the September 2009 Quarter, Rialto has continued to mature a lead identified and mapped using proprietary reprocessed 2D seismic data. Analysis of surrounding open-file well data and other regional studies suggests that the Macedon Member play fairway extends through WA-399-P. Oil and gas discoveries in this proven play include Enfield, Stybarrow, Skiddaw, Eskdale, Scafell and Macedon/Pyrenees, all located directly west of, and on-trend with, WA-399-P.

Rialto is continuing to work with the Operator to optimise evaluation of the potential play.

### *Business Development/New Ventures*

Rialto continues to evaluate international exploration, producing and field development opportunities including potentially significant growth opportunities through its ongoing joint venture agreement with Challenger Minerals Inc.

### *Financial*

Cash on hand at the end of the September 2009 Quarter was A$3.96 million. Rialto's management continues to be proactive in managing the Company's cash position.

At 30 September 2009, Rialto had 44,431,212 fully paid ordinary shares on issue and 12,525,000 listed options exercisable at $0.60 each on or before 30 June 2011.

The Company also has 11,080,003 unlisted options on issue with various exercise prices and expiry dates. During the September 2009 Quarter, 350,000 options expired.

**ENDS**

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