

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	RIALTO ENERGY LIMITED
ABN	17 117 227 086

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Edward Patrick Jacobson
Date of last notice	28 July 2006

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Direct or indirect interest	1. Direct 2. Indirect
Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	Jacobson Geophysical Services Pty Ltd of which Mr Edward Patrick Jacobson is a director and shareholder.
Date of change	14 December 2007
No. of securities held prior to change	2. A. 1,000,000 2. B. 900,000
Class	A. Ordinary Fully Paid Shares B. Options exercisable at \$0.60 on or before 30 June 2011 C. Options exercisable at \$0.48 on or before 31 October 2010 D. Options exercisable at \$0.55 on or before 31 October 2011 E. Options exercisable at \$0.70 on or before 31 October 2012
Number acquired	C. 250,000 D. 250,000 E. 250,000
Number disposed	NIL

+ See chapter 19 for defined terms.

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Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	NIL															
No. of securities held after change	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%;">1.</td> <td style="width: 15%;">C.</td> <td style="width: 80%;">250,000</td> </tr> <tr> <td>1.</td> <td>D.</td> <td>250,000</td> </tr> <tr> <td>1.</td> <td>E.</td> <td>250,000</td> </tr> <tr> <td>2.</td> <td>A.</td> <td>1,000,000</td> </tr> <tr> <td>2.</td> <td>B.</td> <td>900,000</td> </tr> </table>	1.	C.	250,000	1.	D.	250,000	1.	E.	250,000	2.	A.	1,000,000	2.	B.	900,000
1.	C.	250,000														
1.	D.	250,000														
1.	E.	250,000														
2.	A.	1,000,000														
2.	B.	900,000														
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Director's options issued pursuant to shareholder approval at the Annual General Meeting conducted on 29 November 2007															

Part 2 – Change of director's interests in contracts

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
Date of change	N/A
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	N/A
Interest acquired	N/A
Interest disposed	N/A
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	N/A
Interest after change	N/A

+ See chapter 19 for defined terms.