



Rialto Energy Limited

1186 Hay Street
West Perth WA 6005

GPO Box 2815
Perth WA 6001

ACN 117 227 086

15 July 2008

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Share Placement

Rialto Energy Limited (ASX: RIA) ("Rialto") is pleased to announce that pursuant to its announcement dated 8 July 2008 regarding the placement of \$7.3 million, it has today completed the first tranche of 3,346,500 shares under the Company's 15% placement capacity, to raise \$1,204,345 (before costs).

A General Meeting of shareholders is expected to be conducted on 27 August 2008 to approve the second tranche of 18,774,712 shares, which will include 2 million shares to be placed with Rialto's directors and management team.

Attached is the Appendix 3B seeking quotation of the first tranche shares and a Notice under Section 708A(5)(e) of the Corporations Act.

For further information please contact:

Mr. Brett Woods
Managing Director
tel: (+61 8) 9486 4700

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

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 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

RIALTO ENERGY LIMITED

ABN

17 117 227 086

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|-----------------|
| 1 | +Class of +securities issued or to be issued | Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 3,346,500 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully Paid |

Appendix 3B – Rialto Energy Limited
New issue announcement – 15 July 2008

4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Yes

5 Issue price or consideration

\$0.33 per Fully Paid Ordinary Share

6 Purpose of the issue
 (If issued as consideration for the acquisition of assets, clearly identify those assets)

- To attract and negotiate international growth opportunities, particularly in relation to Rialto's International Joint Venture Agreement with Challenger Minerals Inc.;
- To further assess the potential of Rialto's exploration permits WA-399-P and WA-291-P in the Carnarvon Basin, offshore Western Australia; and
- For working capital purposes.

7 Dates of entering +securities into uncertificated holdings or despatch of certificates

15 July 2008

8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)

Number	+Class
24,189,832	Ordinary Shares
10,491,666	Options exercisable at \$0.60 on or before 30 June 2011

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	
	1,466,668	Ordinary Shares
	2,033,334	Options exercisable at \$0.60 on or before 30 June 2011
	250,000	Options exercisable at \$0.60 on or before 30 June 2009
	500,000	Options exercisable at \$0.35 on or before 31 March 2012
	500,000	Options exercisable at \$0.45 on or before 31 March 2013
	500,000	Options exercisable at \$0.60 on or before 31 March 2014
	916,668 ⁽¹⁾	Options exercisable at \$0.48 on or before 31 October 2010
	916,667 ⁽¹⁾	Options exercisable at \$0.55 on or before 31 October 2011
	916,667 ⁽¹⁾	Options exercisable at \$0.70 on or before 31 October 2012
	250,000	Options exercisable at \$0.45 on or before 31 July 2012
	250,000	Options exercisable at \$0.60 on or before 31 July 2013
	250,000	Options exercisable at \$0.70 on or before 31 July 2014

(1) Note that in accordance with the terms of the directors' options approved at the November 2007 AGM, the subsequent resignation of Mr Glenn Whiddon on 1 May 2008 resulted in 166,666 options of each class being cancelled.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A

Appendix 3B – Rialto Energy Limited
New issue announcement – 15 July 2008

15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has +security holders who will not be sent new issue documents. <small>Note: Security holders must be told how their entitlements are to be dealt with.</small> <small>Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Shares described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

Appendix 3B – Rialto Energy Limited
New issue announcement – 15 July 2008

- 1 - 1,000
- 1,001 - 5,000
- 5,001 - 10,000
- 10,001 - 100,000
- 100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)	N/A	

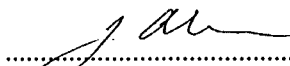
Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 15 July 2008
(Company Secretary)

Print name: John Arbuckle
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Rialto Energy Limited

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Australian Securities Exchange
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SYDNEY NSW 2000

PLACEMENT OF SHARES

Notice under Section 708A(5)(e) of the Corporations Act ("Act")

Rialto Energy Limited (ASX: RIA) ("Rialto") advises that on 15 July 2008 it issued 3,346,500 fully paid ordinary shares at \$0.33 per share.

The shares were issued without disclosure to investors under Part 6D.2 of the Act.

This Notice is issued pursuant to Section 708A(5)(e) of the Act. Rialto advises that

1. The relevant securities are in a class of securities that were quoted securities at all times in the 12 months before the day on which the relevant securities were issued.
2. Trading in that class of securities on the the prescribed financial market on which they were quoted (ie. ASX) was not suspended for more than a total of five days in that 12 month period.
3. No exemption under Section 111AS or 111AT of the Act covered Rialto or any person as director or auditor of Rialto at any time in that 12 month period.
4. No order under Section 340 or 341 of the Act covered Rialto or any person as director or auditor of Rialto at any time in that 12 month period.

At the date of this Notice:

1. Rialto has complied with the provisions of Chapter 2M and Section 674 of the Act as they apply to Rialto; and
2. There is no information that is "excluded information" required to be set out pursuant to sections 708A(7) or (8) of the Act.

Yours faithfully

RIALTO ENERGY LIMITED

A handwritten signature in dark ink, appearing to read "John Arbuckle".

John Arbuckle
Company Secretary