

**WESTMOUNT
ENERGY LIMITED**

**Interim Report
For the six months ended
31 December 2012**

WESTMOUNT ENERGY LIMITED

COMPANY INFORMATION

Directors	Mervyn Bradlow (Non-Executive Chairman) David R. King Thomas P. O’Gorman Peter J. Richardson Gerard Walsh
Secretary and Registered Office	Dominion Corporate Services Limited 47 Esplanade St Helier Jersey JE1 0BD Channel Islands
Nominated Advisor and Broker	Cenkos Securities Plc 6.7.8 Tokenhouse Yard London EC2R 7AS
Legal Advisers	Ogier 44 Esplanade St Helier Jersey JE4 9WG Channel Islands
Auditors	Moore Stephens First Island House 19 - 21 Peter Street St Helier Jersey JE2 4SP Channel Islands
Bankers	The Royal Bank of Scotland International 71 Bath Street St Helier Jersey JE2 4SU Channel Islands
Registrar	Capita Registrars (Jersey) Limited 12 Castle Street St Helier Jersey JE2 3RT Channel Islands

CHAIRMAN'S REVIEW

Over the past six months your board have been actively engaged in negotiations and discussions with various potential investors and companies who were either interested in injecting new capital or merging their companies with Westmount with a view to creating increased shareholder value. The process is ongoing.

This process has confirmed your board's view that the Company remains an attractive investment vehicle notwithstanding its relatively small capitalization. It has no permanent overhead commitments such as staff or office space and the operating costs are tightly controlled.

In an effort to preserve our capital base, Gerry Walsh and Tom O'Gorman who joined the board in November 2011 have waived their Directors' fees from 1 January 2013 and Peter Richardson and I have reduced our fees by fifty per cent from the same date. This has the effect of reducing the Company's overhead by some £87,500 per annum.

Investments.

There has been no substantial movement in the investment portfolio since 1 July 2012, except for a reduction of our holding of Falkland Oil & Gas for a profit of £69,000.

Our investments are all reasonably liquid and thus when a suitable opportunity arises we see no difficulty in realising them.

Future Strategy.

Your board is very conscious of the need to create real value for our shareholders and we are renewing our efforts in 2013 to achieve this result. The core value of your Company remains very attractive and your Directors are clearly mindful of their responsibility to see that this is achieved.

Mervyn Bradlow
Chairman
Date: 20 March 2013

WESTMOUNT ENERGY LIMITED

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31 DECEMBER 2012

(Expressed in United Kingdom Sterling)

	Six months ended 31 Dec 2012 (unaudited) £	Six months ended 31 Dec 2011 (unaudited) £	Year ended 30 June 2012 (audited) £
Realised gain/(loss) on disposal of investments	69,043	(962,744)	(1,371,884)
Unrealised (loss)/gain on financial assets at fair value through profit or loss	(328,260)	911,864	1,513,407
Administration expenses	(120,157)	(359,020)	(480,914)
Operating loss	(379,374)	(409,900)	(339,391)
Interest receivable	-	42	205
Loss before tax	(379,374)	(409,858)	(339,186)
Taxation	-	-	-
Comprehensive loss for the period	(379,374)	(409,858)	(339,186)
Basic loss per share (pence)	(3.86)	(5.19)	(3.85)
Diluted loss per share (pence)	-	-	-

The Company had no items of other comprehensive income during the period.

WESTMOUNT ENERGY LIMITED**CONDENSED STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2012

(Expressed in United Kingdom Sterling)

	Six months ended 31 Dec 2012 (unaudited) £	Six months ended 31 Dec 2011 (unaudited) £	Year ended 30 June 2012 (audited) £
ASSETS			
Non current assets			
Financial assets at fair value through profit and loss	1,045,072	891,301	1,464,718
Current assets			
Trade receivables	4,892	4,816	7,430
Cash and cash equivalents	300,529	787,281	251,471
	<u>305,421</u>	<u>792,097</u>	<u>258,901</u>
Total assets	<u><u>1,350,493</u></u>	<u><u>1,683,398</u></u>	<u><u>1,723,619</u></u>
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	<u>84,315</u>	<u>118,730</u>	<u>98,067</u>
EQUITY			
Share Capital	1,966,060	1,946,060	1,946,060
Share Premium Account	497,737	248,524	480,295
Share Option Account	287,793	550,071	305,235
Profit and Loss Account	<u>(1,485,412)</u>	<u>(1,179,987)</u>	<u>(1,106,038)</u>
Total equity	<u><u>1,266,178</u></u>	<u><u>1,564,668</u></u>	<u><u>1,625,552</u></u>
Total liabilities and equity	<u><u>1,350,493</u></u>	<u><u>1,683,398</u></u>	<u><u>1,723,619</u></u>

WESTMOUNT ENERGY LIMITED**CONDENSED STATEMENT OF CASH FLOWS**

FOR THE PERIOD ENDED 31 DECEMBER 2012

(Expressed in United Kingdom Sterling)

	Notes	Six months ended 31 Dec 2012 (unaudited) £	Six months ended 31 Dec 2011 (unaudited) £	Year ended 30 June 2012 (audited) £
Net cash outflows from operating activities	1	<u>(131,371)</u>	<u>(300,314)</u>	<u>(484,227)</u>
Purchase of investments		-	-	(623,973)
Sale of investments		160,429	356,034	598,993
Interest received		-	42	205
Net cash generated/(used) from investing activities		<u>160,429</u>	<u>356,076</u>	<u>(24,775)</u>
Ordinary shares issued		20,000	440,000	440,000
Expired redemption of B shares not taken up		-	-	28,954
Net cash generated in financing activities		<u>20,000</u>	<u>440,000</u>	<u>468,954</u>
Net increase/(decrease) in cash and cash equivalents		<u>49,058</u>	<u>495,762</u>	<u>(40,048)</u>
Cash and cash equivalents at the beginning of the period		<u>251,471</u>	<u>291,519</u>	<u>291,519</u>
Cash and cash equivalents at the end of the period		<u>300,529</u>	<u>787,281</u>	<u>251,471</u>

WESTMOUNT ENERGY LIMITED

NOTES TO THE UNAUDITED INTERIM RESULTS FOR THE PERIOD ENDED 31 DECEMBER 2012

1 Cash flow statement

Reconciliation of net cash flow from operating activities

	Six months ended 31 Dec 2012 (unaudited)	Six months ended 31 Dec 2011 (unaudited)	Year ended 30 June 2012 (audited)
Total comprehensive loss for the period	(379,374)	(409,858)	(339,186)
Adjustment for interest income	-	(42)	(205)
Adjustment for net loss/(gain) on investments at fair value through profit or loss	328,260	(911,864)	(1,513,407)
Adjustment for costs attributable to share options	-	215,866	177,124
Adjustments for realised (loss)/gain on investments at fair value through profit or loss	(69,043)	962,744	1,371,884
Decrease/(increase) in prepayments and accrued income	2,538	2,412	(202)
Decrease in creditors and accrued expenses	<u>(13,752)</u>	<u>(159,572)</u>	<u>(180,235)</u>
Net cash outflow from operating activities	<u>(131,371)</u>	<u>(300,314)</u>	<u>(484,227)</u>

WESTMOUNT ENERGY LIMITED

NOTES TO THE UNAUDITED INTERIM RESULTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2012

2 Investments

	Six months ended 31 Dec 2012 (unaudited) £	Six months ended 31 Dec 2011 (unaudited) £	Year ended 30 June 2012 (audited) £
Desire PLC, at market value Cost, 2 million shares (31 December 2011: 2 million, 30 June 2012: 2 million shares)	375,000 874,643	430,000 874,643	435,000 874,643
Sterling Energy, at market value Cost, 0.5 million shares (31 Dec 2011: 0.85 million, 30 June 2012: 0.5 million shares)	193,125 863,064	340,001 1,467,208	175,000 863,064
Argos Resources Limited, at market value Cost, 1 million shares (31 Dec 2011: 1 million, 30 June 2012: 1 million shares)	247,500 310,775	121,300 310,775	153,800 310,775
Falkland Oil & Gas plc ("Falkland"), at market value Cost, 0.2 million shares (31 Dec 2011: nil shares, 30 June 2012: 0.4 million shares)	57,000 91,386	- -	348,000 182,772
Pancontinental Oil & Gas NL ("Pancontinental"), at market value Cost, 3 million shares (31 Dec 2011: nil shares, 30 June 2012: 3 million shares)	172,447 393,246	- -	352,918 393,246
Total market value	<u>1,045,072</u>	<u>891,301</u>	<u>1,464,718</u>
Total cost	<u>2,533,114</u>	<u>2,652,626</u>	<u>2,624,500</u>
Current period movement	(1,488,042)	(1,761,325)	(1,159,782)
Reverse prior year FV adjustment	<u>1,159,782</u>	<u>2,673,189</u>	<u>2,673,189</u>
Current period income statement impact	<u>(328,260)</u>	<u>911,864</u>	<u>1,513,407</u>