

WESTMOUNT ENERGY LIMITED

**Interim Report
For the six months ended
31 December 2013**

COMPANY INFORMATION

Directors	Gerard Walsh (Chairman) David R. King Thomas P. O ' Gorman Peter J. Richardson Mervyn Bradlow
Secretary and Registered Office	Crestbridge 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	Carey Olsen 47 Esplanade St Helier Jersey JE1 0BD 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

The past year has been difficult for the company, the junior oil and gas sector remained out of favour. Valuations and share prices have continued to fall, which has been reflected in the valuation of our portfolio of exploration shares. However there are some signs that the cycle could be bottoming out. The oil price remains strong, the industry has plenty of cash, major stock markets have been strong and there have been a number of IPOs in the oil & gas sector in recent months. There has been an increase in corporate activity, including the recent transaction between Falklands Oil & Gas and Desire Petroleum, both shares were held in the portfolio.

In line with our stated strategy, your board continued to look for an acquisition that would create value for shareholders. A large part of the year has been taken up with a specific proposal, outside the resource sector, that the majority of your board believed could have delivered significant value to shareholders.

The proposal did not come to fruition.

Westmount Energy Limited remains a highly attractive, Jersey based, investment vehicle quoted on AIM. The company is well positioned to evaluate and take advantage of new investment opportunities should they hold value creating potential for shareholders. The board together with our advisors continue to seek a suitable strategic acquisition, primarily but not exclusively within the resource sector where the board has core experience.

Finally, following my recent appointment as chairman, I would thank Mervyn Bradlow for his services to the company as chairman over many years, he remains a director of the company.

Gerard Walsh
26 March 2014

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE PERIOD ENDED 31 DECEMBER 2013
 (Expressed in United Kingdom Sterling)

	Six months ended 31 Dec 2013 (unaudited) £	Six months ended 31 Dec 2012 (unaudited) £	Year ended 30 June 2013 (audited) £
Realised gain on disposal of investments	-	69,043	69,043
Unrealised gain/(loss) on financial assets at fair value through profit or loss	88,305	(328,260)	(627,157)
Administration expenses	<u>(69,873)</u>	<u>(120,157)</u>	<u>(196,977)</u>
Operating gain/(loss)	18,432	(379,374)	(755,091)
Gain/(loss) before tax	<u>18,432</u>	<u>(379,374)</u>	<u>(755,091)</u>
Taxation	<u>-</u>	<u>-</u>	<u>-</u>
Comprehensive gain/(loss) for the period	<u>18,432</u>	<u>(379,374)</u>	<u>(755,091)</u>
Basic gain/(loss) per share (pence)	<u>0.19</u>	<u>(3.86)</u>	<u>(7.72)</u>
Diluted loss per share (pence)	<u>-</u>	<u>-</u>	<u>-</u>

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

CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2013

(Expressed in United Kingdom Sterling)

	Six months ended 31 Dec 2013 (unaudited) £	Six months ended 31 Dec 2012 (unaudited) £	Year ended 30 June 2013 (audited) £
ASSETS			
Non current assets			
Financial assets at fair value through profit and loss	834,480	1,045,072	746,175
Current assets			
Trade receivables	4,962	4,892	7,642
Cash and cash equivalents	<u>154,843</u>	<u>300,529</u>	<u>226,565</u>
	159,805	305,421	234,207
Total assets	<u><u>994,285</u></u>	<u><u>1,350,493</u></u>	<u><u>980,382</u></u>
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	<u>85,392</u>	<u>84,315</u>	<u>89,921</u>
EQUITY			
Share Capital	1,966,060	1,966,060	1,966,060
Share Premium Account	492,103	497,737	492,103
Share Option Account	293,427	287,793	293,427
Profit and Loss Account	<u>(1,842,697)</u>	<u>(1,485,412)</u>	<u>(1,861,129)</u>
Total equity	<u>908,893</u>	<u>1,266,178</u>	<u>890,461</u>
Total liabilities and equity	<u><u>994,285</u></u>	<u><u>1,350,493</u></u>	<u><u>980,382</u></u>

WESTMOUNT ENERGY LIMITED

CONDENSED STATEMENT OF CHANGES IN EQUITY

(Expressed in United Kingdom Sterling)

	Share capital Account £	Share premium Account £	Share option Account £	Retained Earnings £	Total equity £
As at 1 July 2012	1,946,060	480,295	305,235	(1,106,038)	1,625,552
Total comprehensive income					
Loss for the period ended 31 December 2012	-	-	-	(379,374)	(379,374)
Transaction with owners					
Issue of ordinary shares	20,000	-	-	-	20,000
Premium on shares issued	-	17,442	-	-	17,442
Realisation of share options	-	-	(17,442)	-	(17,442)
	20,000	17,442	(17,442)	-	20,000
At 31 December 2012	1,966,060	497,737	287,793	(1,485,412)	1,266,178
Total comprehensive income					
Profit for the period ended 30 June 2013	-	-	-	(375,717)	(375,717)
Transaction with owners					
Issue of ordinary shares	-	(5,634)	-	-	(5,634)
Cost of share options	-	-	5,634	-	5,634
	-	(5,634)	5,634	-	-
At 30 June 2013	1,966,060	492,103	293,427	(1,861,129)	890,461
Total comprehensive income					
Gain for the period ended 31 December 2013	-	-	-	18,432	18,432
At 31 December 2013	1,966,060	492,103	293,427	(1,842,697)	908,893

CONDENSED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2013
(Expressed in United Kingdom Sterling)

	Notes	Six months ended 31 Dec 2013 (unaudited) £	Six months ended 31 Dec 2012 (unaudited) £	Year ended 30 June 2013 (audited) £
Net cash outflows from operating activities	1	<u>(71,722)</u>	<u>(131,371)</u>	<u>(205,335)</u>
Sale of investments		-	160,429	160,429
Net cash generated from investing activities		-	160,429	160,429
Ordinary shares issued		-	20,000	20,000
Net cash generated in financing activities		-	20,000	20,000
Net (decrease)/increase in cash and cash equivalents		<u>(71,722)</u>	<u>49,058</u>	<u>(24,906)</u>
Cash and cash equivalents at the beginning of the period		<u>226,565</u>	<u>251,471</u>	<u>251,471</u>
Cash and cash equivalents at the end of the period		<u>154,843</u>	<u>300,529</u>	<u>226,565</u>

**NOTES TO THE UNAUDITED INTERIM RESULTS
FOR THE PERIOD ENDED 31 DECEMBER 2013**
1 Cash flow statement

Reconciliation of net cash flow from operating activities

	Six months ended 31 Dec 2013 (unaudited)	Six months ended 31 Dec 2012 (unaudited)	Year ended 30 June 2013 (audited)
Total comprehensive gain/(loss) loss for the period	18,432	(379,374)	(755,091)
Adjustment for net (gain)/loss on investments at fair value through profit or loss	(88,305)	328,260	627,157
Adjustments for realised loss on investments at fair value through profit or loss	-	(69,043)	(69,043)
Decrease/(increase) in prepayments and accrued income	2,680	2,538	(212)
Decrease in creditors and accrued expenses	<u>(4,529)</u>	<u>(13,752)</u>	<u>(8,146)</u>
Net cash outflow from operating activities	<u><u>(71,722)</u></u>	<u><u>(131,371)</u></u>	<u><u>(205,335)</u></u>

**NOTES TO THE UNAUDITED INTERIM RESULTS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2013**
2 Investments

	Six months ended 31 Dec 2013 (unaudited) £	Six months ended 31 Dec 2012 (unaudited) £	Year ended 30 June 2013 (audited) £
Desire Petroleum PLC, ("Desire") at market value	-	375,000	237,600
Cost, nil shares (31 December 2012: 2,000,000, 30 June 2013: 2,000,000 shares)	-	874,643	874,643
Sterling Energy PLC, at market value	216,250	193,125	176,250
Cost, 500,000 shares (31 Dec 2012: 500,000, 30 June 2013: 500,000 shares)	863,064	863,064	863,064
Argos Resources Limited, at market value	145,000	247,500	188,800
Cost, 1,000,000 shares (31 Dec 2012: 1,000,000, 30 June 2013: 1,000,000 shares)	310,775	310,775	310,775
Falkland Oil and Gas Limited ("Falkland"), at market value	374,380	57,000	53,000
Cost, 1,446,600 shares (31 Dec 2012: 400,000 shares, 30 June 2013: 200,000 shares)	966,029	91,386	91,386
Pancontinental Oil & Gas NL ("Pancontinental"), at market value	98,850	172,447	90,525
Cost, 3,000,000 shares (31 Dec 2012: 3,000,000 shares, 30 June 2013: 3,000,000 shares)	393,246	393,246	393,246
Total market value	<u>834,480</u>	<u>1,045,072</u>	<u>746,175</u>
Total cost	<u>2,533,114</u>	<u>2,533,114</u>	<u>2,533,114</u>
Current period movement	(1,698,634)	(1,488,042)	(1,786,939)
Reverse prior year FV adjustment	<u>1,786,939</u>	<u>1,159,782</u>	<u>1,159,782</u>
Current period income statement impact	<u>88,305</u>	<u>(328,260)</u>	<u>627,157</u>

On 9 December 2013 Desire was acquired by Falkland and 2,000,000 ordinary shares in Desire were converted into 1,246,600 ordinary shares in Falkland.

