

## Regulatory Story

[Go to market news section](#)



**Westmount Energy Limited** - WTE Investment in Eco (Atlantic) Oil & Gas Ltd  
Released 09:17 08-Feb-2017

RNS Number : 3292W  
Westmount Energy Limited  
08 February 2017

**8 February 2017**

### **Westmount Energy Limited**

("Westmount" or the "Company")

### **Investment in Eco (Atlantic) Oil & Gas Ltd**

The Board of Westmount is pleased to announce that it has subscribed for 3,125,000 ordinary shares of no par value in Eco (Atlantic) Oil & Gas Ltd ("EOG") at a price of 16 pence per ordinary share (the "Subscription"). The Subscription will be funded by the Company's existing resources and a loan of £250,000 from Mr Gerard Walsh, Chairman of Westmount (the "Loan").

EOG is a Canadian oil and gas exploration company that currently holds interests in the 1,800 km<sup>2</sup> Orinduik offshore block in Guyana and four offshore petroleum licenses, covering more than 32,000 km<sup>2</sup> in the Walvis and Lüderitz Basins in Namibia. EOG is currently traded on TSX Venture Exchange and has today successfully completed a £5.09 million placing in connection with its admission to AIM. It is expected that Westmount will hold approximately 2.6% of EOG's issued share capital following admission of the Subscription shares.

For the 12 months ended 31 March 2016, EOG made a net loss of CAD\$5,107,496 and had gross assets of CAD\$7,312,774. EOG provides further disclosures on its business and financial position through its website at [www.ecoilandgas.com](http://www.ecoilandgas.com). Following completion, Westmount's shareholding in EOG will represent approximately 63 per cent. of Westmount's gross assets as at 7 February 2017.

### **Loan Agreement & Related Party Transaction**

To part finance the investment, the Company has entered into a loan agreement with Gerard Walsh, director of the Company, for the sum of £250,000. The Loan is unsecured and does not attract interest. The Loan is repayable by the Company within 60 days upon receipt of written notice from Mr Walsh.

The Loan is considered a related party transaction under the AIM Rules for Companies. The Board of Westmount, excluding Mr Walsh, having consulted with Cenkos Securities plc as the Company's Nominated Adviser, considers the terms of this transaction to be fair and reasonable in so far as the Company's shareholders are concerned.

**Gerard Walsh, Chairman of Westmount, commented:**


"The motive for the investment in EOG is to offer Westmount shareholders a low entry cost for exposure to the Orinduik block in the Guyana basin. The Orinduik block is operated by Tullow Oil Plc and is adjacent to the Stabroek Block operated by Exxon Mobil that contains the world-class Liza discovery, which is estimated by Exxon to have recoverable resources of approximately 1.4 billion boe, together with the recently announced Payara discovery. The Guyana basin is attracting significant industry interest and expects to see considerable exploration activity over the coming years. The EOG management team has strong expertise in global oil and gas exploration and operation of resource assets. EOG will be the only junior exploration and production company listed on AIM to operate in the Guyana basin. I am pleased to offer my continued support to the Company by providing additional cash resources to fund this investment."

**For further information, please contact:**


**Westmount Energy Limited**

[www.westmountenergy.com](http://www.westmountenergy.com)

David King, Director

Tel:  
+44 (0)1534 823028 

**Cenkos Securities plc** Nomad and Broker

Tel:  
+44 (0)20 7397 8900 

Nicholas Wells / Elizabeth Bowman  
(Corporate Finance)

This announcement contains inside information.

This information is provided by RNS  
The company news service from the London Stock Exchange

END

MSCUWAKRBOAURRR

CLOSE



#### Sponsored Financial Content



- **Where can dividend seekers turn as they aim to ride out the turbulence**  
[JP Morgan](#)
- **Which companies are to pay the highest dividend yield in 2017?**  
[AJ Bell](#)
- **Which stocks are the Best of British holding on to?**  
[TD Direct Investing](#)
- **Top 10 Stocks for 2017: Who should you consider for the year ahead?**  
[Accendo Markets](#)

London Stock Exchange plc is not responsible for and does not check content on this Website. Website users are responsible for checking content. Any news item (including any prospectus) which is addressed solely to the persons and countries specified therein should not be relied upon other than by such persons and/or outside the specified countries. [Terms and conditions](#), including restrictions on use and distribution apply.

©2014 London Stock Exchange plc. All rights reserved

Investment in Eco (Atlantic) Oil & Gas Ltd - RNS