

**WESTMOUNT ENERGY LIMITED**

**Interim Report  
For the six months ended  
31 December 2017**

**COMPANY INFORMATION**

<b>Directors</b>	Gerard Walsh (Chairman) David R. King Thomas P. O’Gorman Dermot Corcoran
<b>Secretary and Registered Office</b>	Stonehage Fleming Corporate Services Limited No 2, The Forum, Grenville Street St Helier Jersey JE1 4HH Channel Islands
<b>Nominated Advisor and Broker</b>	Cenkos Securities Plc 6-8, Tokenhouse Yard London EC2R 7AS
<b>Legal Advisers</b>	Carey Olsen 47, Esplanade St Helier Jersey JE1 0BD Channel Islands  Watson Farley Williams LLP 15, Appold Street London EC2A 2HB
<b>Auditor</b>	Moore Stephens First Island House 19-21, Peter Street St Helier Jersey JE4 8SG Channel Islands
<b>Bankers</b>	The Royal Bank of Scotland International Limited 71, Bath Street St Helier Jersey JE2 8PJ Channel Islands
<b>Registrar</b>	Link Market Services (Jersey) Limited 12, Castle Street St Helier Jersey JE2 3RT Channel Islands

## CHAIRMAN'S REVIEW

### 2017 Highlights

- **Continued Focus on Guyana-Suriname Basin**
- **Operating Profit of £197,645 for the 6 month period to December 31, 2017**
- **Strategic Investment in Eco (Atlantic) Oil and Gas Limited to gain exposure to the Guyana offshore shows strong performance**
- **Evaluation of Exploration & Production opportunities with potential for a substantial transaction continue**

The second half of 2017 was characterised by a continuing improvement in oil prices and investor sentiment towards the sector. In addition, offshore Guyana is proving to be a major exploration hotspot with a string of significant oil discoveries announced by ExxonMobil throughout 2017 and into early 2018 and the announcement by Total of a multi-block farm-in on the 5<sup>th</sup> February 2018, subject to approval by the relevant authorities. These elements have contributed to rising asset prices and this improvement is reflected in your Company's financial performance with a net operating profit of £197,645 for the six months to 31 December 2017.

The net operating profit results in the main from the share price performance of your Company's strategic investment in Eco (Atlantic) Oil & Gas ('EOG'). As at 20 March 2018, the EOG investment has more than doubled in value since our investment in February 2017 and continues to provide Westmount shareholders with exposure to Guyanese offshore exploration activity. EOG has recently been recognised as a 2018 TSX Venture 50<sup>TM</sup> company - an annual ranking of top-performing companies on the TSX Venture Exchange (the 'TSX-V') over the last year- achieving a 'top 10' status in the oil and gas sector, one of the five main sectors on the TSX-V. This accolade reflects, *inter alia*, two achievements, namely the announcement of the Orinduik Farm-in option agreement with Total E&P Activités Pétrolières, ("Total") on 26<sup>th</sup> September 2017, which grants Total the option to acquire a 25% working interest in the Orinduik Block; and secondly, the Strategic Alliance and Share Subscription Agreement with Africa Oil Corporation, announced on 13<sup>th</sup> November 2017, which raised gross proceeds of CAD\$14 million.

In addition to the general improvement in the London listed Oil & Gas sector, the ExxonMobil led exploration programme on the Stabroek Block, offshore Guyana, continues to deliver excellent results. On the 28<sup>th</sup> February 2018 ExxonMobil announced a further oil discovery, Pacora-1, the 7<sup>th</sup> major oil discovery on the block since May 2015 - adding to previous world-class discoveries at Liza, Payara, Snoek, Liza Deep, Turbot and Ranger, which are estimated to contain more than 3.2 billion recoverable oil-equivalent barrels.

Continued success on the Stabroek Block is likely to increase the industry's interest in the Guyanese offshore sector and should continue to support investor interest in EOG and other quoted companies offering investment exposure to this world class deep-water play.

### Outlook

Your Company's focus continues to be to seek exposure to exploration opportunities in the Guyana-Suriname basin. Although competition has increased in this space, we believe that significant opportunities remain with the Westmount platform presenting an opportunity to create a London listed and financed vehicle with exploration exposure to the Guyana offshore play.

While Guyana is a primary focus, we continue to evaluate other investment and potential transaction opportunities. We will update investors on any significant developments at the earliest opportunity.

### GERARD WALSH

Chairman  
20 March 2018

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

	Six months ended 31 Dec 2017 (unaudited) £	Six months ended 31 Dec 2016 (unaudited) £	Year ended 30 Jun 2017 (audited) £
Net profit / (loss) on financial assets held at fair value through profit or loss	254,106	(38,368)	(8,682)
Administration expenses	(53,461)	(97,796)	(188,818)
Share options expensed	(3,000)	-	(3,000)
<b>Operating profit / (loss)</b>	197,645	(136,164)	(200,500)
<b>Profit / (loss) before tax</b>	197,645	(136,164)	(200,500)
<b>Tax</b>	-	-	-
<b>Comprehensive profit / (loss) for the period / year</b>	197,645	(136,164)	(200,500)
Basic profit / (loss) per share (pence)	0.48	(0.60)	(0.79)
Diluted profit / (loss) per share	0.39	(0.60)	(0.79)

All results are derived from continuing operations.

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

## CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

	31 Dec 2017 (unaudited) £	31 Dec 2016 (unaudited) £	30 Jun 2017 (audited) £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial assets at fair value through profit or loss	974,697	239,205	720,591
<b>Current assets</b>			
Other receivables	2,984	5,468	10,778
Cash and cash equivalents	466,839	234,516	548,042
	469,823	239,984	558,820
<b>Total assets</b>	<b>1,444,520</b>	<b>479,189</b>	<b>1,279,411</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Trade and other payables	38,200	17,702	73,736
<b>EQUITY</b>			
Share capital	3,772,244	3,027,221	3,772,244
Share option account	355,906	349,906	352,906
Retained earnings	(2,721,830)	(2,915,640)	(2,919,475)
<b>Total equity</b>	<b>1,406,320</b>	<b>461,487</b>	<b>1,205,675</b>
<b>Total liabilities and equity</b>	<b>1,444,520</b>	<b>479,189</b>	<b>1,279,411</b>

## CONDENSED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2017

	Share capital account £	Share premium account £	Share option account £	Retained earnings £	Total equity £
<b>As at 1 July 2016</b>	2,966,120	-	349,906	(2,718,975)	597,651
<b>Comprehensive Income</b>					
Loss for the year ended 30 June 2017	-	-	-	(200,500)	(200,500)
<b>Transactions with owners</b>					
Subscription and open offer at 5p per nil par value ordinary share	805,524	-	-	-	805,524
Share options expensed	-	-	3,000	-	3,000
<b>As at 30 June 2017</b>	3,772,244	-	352,906	(2,919,475)	1,205,675
<b>Comprehensive Income</b>					
Profit for the period ended 31 December 2017	-	-	-	197,645	197,645
<b>Transactions with owners</b>					
Share options expensed	-	-	3,000	-	3,000
<b>As at 31 December 2017</b>	3,772,244	-	355,906	(2,721,830)	1,406,320

	Share capital account £	Share premium account £	Share option account £	Retained earnings £	Total equity £
<b>As at 1 July 2015</b>	1,966,060	551,560	349,906	(2,345,453)	522,073
<b>Comprehensive Income</b>					
Loss for the year ended 30 June 2016 (as previously reported)	-	-	-	(434,023)	(434,023)
<b>Transactions with owners</b>					
Open offer at 4p per 20p ordinary share	509,601	-	-	-	509,601
Conversion of 20p ordinary shares to nil par value shares	551,560	(551,560)	-	-	-
Prior year adjustment	(60,501)	-	-	60,501	-
<b>As at 30 June 2016</b>	2,966,120	-	349,906	(2,718,975)	597,651

**CONDENSED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2017**

	Six months ended 31 Dec 2017 (unaudited) £	Six months ended 31 Dec 2016 (unaudited) £	Year ended 30 Jun 2017 (audited) £
<b>Cash flows from operating activities</b>			
Total comprehensive profit / (loss) for the period / year	197,645	(136,164)	(200,500)
Adjustments for net (profit) / loss on financial assets at fair value through profit or loss	(254,106)	38,368	8,682
Adjustment for share options expensed	3,000	-	3,000
Decrease / (increase) in other receivables	7,794	4,556	(755)
(Decrease) / increase in trade and other payables	(35,536)	(13,685)	42,349
Purchase of investments	-	(61,275)	(561,274)
Proceeds from sale of investments	-	-	48,300
Net cash out flow from operating activities	<u>(81,203)</u>	<u>(168,200)</u>	<u>(660,198)</u>
<b>Cash flows from financing activities</b>			
Receipt of loan from Director	-	-	300,000
Repayment of loan from Director	-	-	(300,000)
Proceeds from issue of ordinary shares	-	-	805,524
Net cash generated from financing activities	<u>-</u>	<u>-</u>	<u>805,524</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>	(81,203)	(168,200)	145,326
Cash and cash equivalents at the beginning of the period / year	<u>548,042</u>	<u>402,716</u>	<u>402,716</u>
<b>Cash and cash equivalents at the end of the period / year</b>	<u>466,839</u>	<u>234,516</u>	<u>548,042</u>

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2017**

**1. Accounting Policies**

**Basis of accounting**

The interim financial statements have been prepared in accordance with the International Accounting Standard ("IAS") 34, Interim Financial Reporting.

The interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the period to 30 June 2017. The annual financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The same accounting policies and methods of computation are followed in the interim financial statements as in the annual financial statements for the period ended 30 June 2017.



**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2017 (CONTINUED)**

**2. Investments**

	Six months ended 31 December 2017 (unaudited) £	Six months ended 31 December 2016 (unaudited) £	Year ended 30 June 2017 (audited) £
Sterling Energy PLC, at market value	-	45,000	-
Cost, nil shares (31 December 2016: 300,000 shares, 30 June 2017: nil shares)	-	517,838	-
Argos Resources Limited, at market value	28,000	45,000	30,000
Cost, 1,000,000 shares (31 December 2016: 1,000,000 shares, 30 June 2017: 1,000,000 shares)	310,775	310,775	310,775
Eco Atlantic Oil & Gas Oil Limited, at market value	790,625	-	531,250
Cost, 3,125,000 shares (31 December 2016: nil shares, 30 June 2017: 3,125,000 shares)	500,000	-	500,000
Rockhopper Exploration plc, at market value	75,210	81,477	80,582
Cost, 358,142 shares (31 December 2016: 358,142 shares, 30 June 2017: 358,142 shares)	799,081	799,081	799,081
Pancontinental Oil and Gas NL, at market value	6,938	7,032	1,772
Cost, 3,000,000 shares (31 December 2016: 3,000,000 shares, 30 June 2017: 3,000,000 shares)	393,246	393,246	393,246
JHI Associates Inc, at market value	73,923	60,696	76,987
Cost, 100,000 shares (31 December 2016: 100,000 shares, 30 June 2017: 100,000 shares)	61,274	61,274	61,274
Total market value	<u>974,696</u>	<u>239,205</u>	<u>720,591</u>
Total cost	<u>2,064,376</u>	<u>2,082,214</u>	<u>2,064,376</u>
Current period movement	(1,089,680)	(1,843,009)	(1,343,785)
Reverse prior year FV adjustment	1,343,784	1,804,641	1,804,641
	<u>254,106</u>	<u>(38,368)</u>	<u>460,856</u>
Realised (loss)	-	-	(469,538)
Unrealised gain / (loss)	254,106	(38,368)	460,856
Current period income statement impact	<u>254,106</u>	<u>(38,368)</u>	<u>(8,682)</u>