

Regulatory Story

[Go to market news section](#)



Westmount Energy Limited - WTE Interim Results
Released 07:00 31-Mar-2017

RNS Number : 0987B
Westmount Energy Limited
31 March 2017

Westmount Energy Limited ("Westmount" or the "Company")

Interim Results

The Company is pleased to announce its Interim Results for the six months ended 31 December 2016. A copy of the results is available on the Company's website, www.westmountenergy.com, and will be posted to shareholders shortly.

CHAIRMAN'S REVIEW

The period under review continued to be a challenging and uncertain time for the Oil & Gas industry but there were continued signs of improvement.

From a Westmount perspective, the more stable oil price and improved investor sentiment towards the E&P sector has given rise to some opportunities which should enable the process of repositioning your Company as a niche exploration and production investor in the conventional oil and gas sector.

We have identified the Guyana offshore basin as an area of interest and in line with our strategy, on February 8, 2017, we announced a £500k strategic investment in Eco (Atlantic) Oil & Gas Ltd ("EOG") at a price of 16 pence per ordinary share as part of the EOG IPO on AIM.

EOG successfully raised GBP5.09 million in an oversubscribed placing, which is further evidence of the improvement in investor sentiment and interest in ECO's Guyanese and Namibian exploration permits. Westmount holds 2.6% approximately of EOG's issued share capital and EOG is the only junior E&P company listed on AIM with exposure to offshore Guyana, which is emerging as a major oil province.

The primary motive for the investment in EOG was to offer Westmount shareholders a low entry cost exposure to the 1,800 km² Orinduik offshore block in the Guyana basin. The Orinduik block is operated by Tullow Oil Plc and is adjacent to, and updip of, the Stabroek Block operated by ExxonMobil. Stabroek contains the world-class Liza & Payara oil discoveries, which are estimated by ExxonMobil to have recoverable resources of approximately 1.4 - 2 billion boe. ExxonMobil is currently drilling the Snoek exploration well which is also located a short distance from the Orinduik block and well results are expected shortly. I expect to see significant exploration activity in the region over the coming years and would like to expand Westmount's interest in this exciting exploration region.

The Interim Financial Statements show a loss for the period of £136,164 of which £38,368 relates to a write down of the value of the portfolio.

Portfolio

The recent addition of the investment in ECO (Atlantic) Oil & Gas Ltd ('EOG') has transformed the portfolio.

We continue to hold our legacy investments with exposure to the Falkland Islands, namely Rockhopper and Argos. The share price performance of these holdings continues to be in line with weak oil prices. We have recently disposed of the remaining holding of Sterling Energy Plc for re investment in EOG.

FUTURE

The Board has carefully assessed the cash position of the Company and believes that the corporate overhead has been reduced as much as possible at the current time. The Board continues to believe that the current Westmount corporate structure and AIM listing provides an ideal platform to leverage on new investment opportunities or provide a vehicle for corporate transactions.

Westmount continues to seek and evaluate corporate transactions and investment opportunities with a focus on the Guyana offshore area. The Board would expect to finance any future corporate transactions via the AIM market platform.

Finally, I thank our shareholders and stakeholders for their continued support.

GERARD WALSH

Chairman
30 March 2017

For further information, please contact:

Westmount Energy Limited

David King, Director

www.westmountenergy.com

Tel: +44 (0)1534 823028

Cenkos Securities plc Nomad and Broker

Nicholas Wells / Elizabeth Bowman
(Corporate Finance)

Tel: +44 (0)20 7397 8900

CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2016

	Six months ended 31 Dec 2016 (unaudited) £	Six months ended 31 Dec 2015 (unaudited) £	Year ended 30 Jun 2016 (audited) £
Net loss on financial assets held at fair value through profit or loss	(38,368)	(284,950)	(260,911)
Administration expenses	(97,796)	(77,857)	(173,112)

Operating loss	(136,164)	(362,807)	(434,023)
Loss before tax	<u>(136,164)</u>	<u>(362,807)</u>	<u>(434,023)</u>
Tax		-	-
Comprehensive loss for the period / year	<u><u>(136,164)</u></u>	<u><u>(362,807)</u></u>	<u><u>(434,023)</u></u>
Basic loss per share (pence)	<u>(0.01)</u>	<u>(0.02)</u>	<u>(2.59)</u>
Diluted loss per share	<u>(0.01)</u>	<u>(0.02)</u>	<u>(2.59)</u>

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 2016

	31 Dec 2016 (unaudited) £	31 Dec 2015 (unaudited) £	30 Jun 2016 (audited) £
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss	<u>239,205</u>	<u>192,261</u>	<u>216,299</u>
Current assets			
Other receivables	5,468	9,451	10,023
Cash and cash equivalents	<u>234,516</u>	<u>494,245</u>	<u>402,716</u>
	239,984	503,696	412,739
Total assets	<u><u>479,189</u></u>	<u><u>695,957</u></u>	<u><u>629,038</u></u>
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	<u>17,702</u>	<u>27,090</u>	<u>31,387</u>
EQUITY			
Share capital	3,027,221	3,027,221	3,027,221
Share option account	349,906	349,906	349,906
Retained earnings	<u>(2,915,640)</u>	<u>(2,708,260)</u>	<u>(2,779,476)</u>
Total equity	461,487	668,867	597,651
Total liabilities and equity	<u><u>479,189</u></u>	<u><u>695,957</u></u>	<u><u>629,038</u></u>

CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2016

	Share capital account £	Share premium account £	Share option account £	Retained earnings £	Total equity £
As at 1 July 2015	1,966,060	551,560	349,906	(2,345,453)	522,073
Comprehensive Income					
Loss for the year ended 30 June 2016	-	-	-	(434,023)	(434,023)
Transactions with owners					
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)	-	-	-
As at 30 June 2016	3,027,221	-	349,906	(2,779,476)	597,651
Total Comprehensive Income					
Loss for the period ended 31 December 2016	-	-	-	(136,164)	(136,164)
As at 31 December 2016	3,027,221	-	349,906	(2,915,640)	461,487

	Share capital account £	Share premium account £	Share option account £	Retained earnings £	Total equity £
As at 1 July 2014	1,966,060	516,778	349,906	(2,123,214)	709,530
Total Comprehensive Income					
Loss for the year ended 30 June 2015	-	-	-	(222,239)	(222,239)
Transactions with owners					
Expired redemption of B shares not taken up	-	34,782	-	-	34,782
As at 30 June 2015	1,966,060	551,560	349,906	(2,345,453)	522,073

**CONDENSED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

	Six months ended 31 Dec 2016 (unaudited) £	Six months ended 31 Dec 2015 (unaudited) £	Year ended 30 Jun 2016 (audited) £
Cash flows from operating activities			
Total comprehensive loss for the period / year	(136,164)	(362,807)	(434,023)
Adjustments for net loss on financial assets at fair value through profit or loss	38,368	284,949	260,911
Decrease / (increase) in other receivables	4,556	270	(302)
Decrease in trade and other payables	(13,685)	(4,670)	(373)
Purchase of investments	(61,275)	-	-
Proceeds from sale of investments	-	59,611	59,611
Net cash out flow from operating activities	(168,200)	(22,647)	(114,176)

Cash flows from financing activities

Proceeds from issue of ordinary shares	-	509,601	509,601
Net cash generated from financing activities	-	509,601	509,601
Net increase / (decrease) in cash and cash equivalents			
	(168,200)	486,954	395,425
Cash and cash equivalents at the beginning of the period / year	402,716	7,291	7,291
Cash and cash equivalents at the end of the period / year	234,516	494,245	402,716

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2016**

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 2016. 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 2016.

2. Investments

	Six months ended 31 December 2016 (unaudited) £	Six months ended 31 December 2015 (unaudited) £	Year ended 30 June 2016 (audited) £
Sterling Energy PLC, at market value	45,000	43,500	45,750
Cost, 300,000 shares (31 December 2015: 300,000 shares, 30 June 2016: 300,000 shares)	517,838	517,838	517,838
Argos Resources Limited, at market value	45,000	45,000	37,500
Cost, 1,000,000 shares (31 December 2015: 1,000,000 shares, 30 June 2016: 1,000,000 shares)	310,775	310,775	310,775
Falkland Oil and Gas Limited ("Falkland"), at market value	-	99,318	-
Cost, nil shares (31 December 2015: 1,196,600 shares, 30 June 2016: nil shares)	-	799,081	-
Rockhopper Exploration plc ("Rockhopper"), at market value	81,477	-	128,036
Cost, 358,142 shares	799,081	-	799,081

(31 December 2015: nil shares, 30 June 2016:
358,142 shares)

Pancontinental Oil and Gas NL ("Pancontinental"), at market value	7,032	4,443	5,013
Cost, 3,000,000 shares (31 December 2015: 3,000,000 shares, 30 June 2016: 3,000,000 shares)	393,246	393,246	393,246
JHI Associates Inc ("JHI"), at market value	60,696	-	-
Cost, 100,000 shares (31 December 2015: nil shares, 30 June 2016: nil shares)	61,274	-	-
Total market value	<u>239,205</u>	<u>192,261</u>	<u>216,299</u>
Total cost	<u>2,082,214</u>	<u>2,020,940</u>	<u>2,020,940</u>
Current period movement	(1,843,009)	(1,828,679)	(1,804,641)
Reverse prior year FV adjustment	<u>1,804,641</u>	<u>1,651,067</u>	<u>1,651,067</u>
	<u>(38,368)</u>	<u>(177,612)</u>	<u>(153,574)</u>
Realised (loss)	-	(107,337)	(107,337)
Unrealised (loss)/gain	<u>(38,368)</u>	<u>(177,612)</u>	<u>(153,574)</u>
Current period income statement impact	<u>(38,368)</u>	<u>(284,949)</u>	<u>(260,911)</u>

This announcement contains inside information.

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

END

IR LLFEAVDIIVID

CLOSE



Sponsored Financial Content

dianomi

- **The rush to gold appears to be slowing**
TD Direct Investing
- **ISA Investing - Top 5 Tips**
Scalable Capital Limited
- **Our Research Analyst, highlights 6 companies to consider for your ISA**
Share Centre
- **What are the five key features that make them so popular?**
JP Morgan

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

Interim Results - RNS