

**WESTMOUNT  
ENERGY LIMITED**

**Interim Report  
For the six months ended  
31 December 2011**

# WESTMOUNT ENERGY LIMITED

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## COMPANY INFORMATION

### Directors

Mervyn Bradlow (Non-Executive Chairman)  
Peter J. Richardson  
David R. King  
Gerard Walsh  
Thomas P. O’Gorman

### 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**

The past six months have been one of change for your Company.

Having repaid a total of 160p to shareholders since flotation in 1995 it was your board's agreed strategy to seek a new direction and future for its shareholders.

On the 30<sup>th</sup> November 2011 we announced that we had issued 2.2 million new shares at 20p to Gerard Walsh and Thomas O'Gorman who were both appointed directors of Westmount on the same date as the Issue. The new directors have considerable experience in the financing of the oil exploration industry and will seek new Investment opportunities for your Company while reviewing our existing investment portfolio.

I have also to report that Paul Anderson, who has been involved in Westmount's business since 1996, has resigned as a director and will cease providing company secretarial support in order to pursue his professional career and we would like to record our thanks for all his efforts over the past years and wish him well for the future. David King of Dominion Corporate Services Limited ("DCG") has been appointed as director and DCG as company secretary, to replace Paul and Bedell's, and we welcome him to the board.

The expenses for the half year include a larger than usual non cash item which relates to the formal requirement of IFRS to account for the options granted coincident with recent board appointments. The actual cash expenses for the six month period were £143,000 as compared with £154,000 for the same period in 2010.

We look forward a new and interesting phase of your Company's future.

Mervyn Bradlow

Chairman

Date: January 2012

## WESTMOUNT ENERGY LIMITED

### CONDENSED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31 DECEMBER 2011

(Expressed in United Kingdom Sterling)

	Six months ended 31 Dec 2011 (unaudited) £	Six months ended 31 Dec 2010 (unaudited) £	Year ended 30 June 2011 (audited) £
Realised (loss)/gain on disposal of investments	(962,745)	1,466,481	1,499,314
Unrealised gain/(loss) on financial assets at fair value through profit or loss	911,865	(2,880,250)	(4,488,522)
Administration expenses	(359,020)	(175,909)	(334,523)
<b>Operating loss</b>	<b>(409,900)</b>	<b>(1,589,678)</b>	<b>(3,323,731)</b>
Interest receivable	42	3,275	4,429
<b>Loss before tax</b>	<b>(409,858)</b>	<b>(1,586,403)</b>	<b>(3,319,302)</b>
Taxation	-	-	-
<b>Comprehensive loss for the period</b>	<b>(409,858)</b>	<b>(1,586,403)</b>	<b>(3,319,302)</b>
Basic loss per share (pence)	(5.19)	(22.73)	(46.06)
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 2011

(Expressed in United Kingdom Sterling)

	Six months ended 31 Dec 2011 (unaudited) £	Six months ended 31 Dec 2010 (unaudited) £	Year ended 30 June 2011 (audited) £
<b>ASSETS</b>			
<b>Non current assets</b>			
Financial assets at fair value through profit and loss	891,301	3,012,375	1,298,215
<b>Current assets</b>			
Trade receivables	4,816	4,754	7,228
Cash and cash equivalents	787,281	3,450,124	291,519
	<u>792,097</u>	<u>3,454,878</u>	<u>298,747</u>
<b>Total assets</b>	<u>1,683,398</u>	<u>6,467,253</u>	<u>1,596,962</u>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Trade and other payables	<u>118,730</u>	<u>234,692</u>	<u>278,302</u>
<b>EQUITY</b>			
Share Capital	1,946,060	1,396,060	1,506,060
Share Premium Account	248,524	261,682	248,524
Share Option Account	550,071	298,717	334,205
Profit and Loss Account	<u>(1,179,987)</u>	<u>4,276,102</u>	<u>(770,129)</u>
<b>Total equity</b>	<u>1,564,668</u>	<u>6,232,561</u>	<u>1,318,660</u>
<b>Total liabilities and equity</b>	<u>1,683,398</u>	<u>6,467,253</u>	<u>1,596,962</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 £
<b>As at 1 July 2010</b>	1,396,060	261,682	277,210	5,862,505	7,797,457
<b>Total comprehensive income</b>					
Loss for the period ended 31 December 2010	-	-	-	(1,586,403)	(1,586,403)
<b>Transaction with owners</b>					
Costs of share options	-	-	21,507	-	21,507
	-	-	21,507	-	21,507
<b>At 31 December 2010</b>	1,396,060	261,682	298,717	4,276,102	6,232,561
<b>Total comprehensive income</b>					
Loss for the period ended 30 June 2011	-	-	-	(1,732,899)	(1,732,899)
<b>Transaction with owners</b>					
Issue of ordinary shares	110,000	-	-	-	110,000
Premium on ordinary shares	-	89,250	-	-	89,250
Issue of B shares	75,303	(75,303)	-	-	-
Redemption of B shares	(75,303)	-	-	(3,313,332)	(3,388,635)
Redemption costs	-	(27,105)	-	-	(27,105)
Cost of share options	-	-	35,488	-	35,488
	110,000	(13,158)	35,488	(3,313,332)	(3,181,002)
<b>At 30 June 2011</b>	1,506,060	248,524	334,205	(770,129)	1,318,660
<b>Total comprehensive income</b>					
Loss for the period ended 31 December 2011	-	-	-	(409,858)	(409,858)
<b>Transaction with owners</b>					
Issue of ordinary shares	440,000	-	-	-	440,000
Cost of share options	-	-	215,866	-	215,866
	440,000	-	215,866	-	655,866
<b>At 31 December 2011</b>	1,946,060	248,524	550,071	(1,179,987)	1,564,668

## WESTMOUNT ENERGY LIMITED

### CONDENSED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2011

(Expressed in United Kingdom Sterling)

	Notes	Six months ended 31 Dec 2011 (unaudited) £	Six months ended 31 Dec 2010 (unaudited) £	Year ended 30 June 2011 (audited) £
<b>Net cash outflows from operating activities</b>	1	<u>(300,314)</u>	<u>(127,956)</u>	<u>(209,946)</u>
Purchase of investments		-	(1,024,785)	(1,024,786)
Sale of investments		356,034	2,083,991	2,222,713
Interest received		42	3,275	4,429
<b>Net cash generated from investing activities</b>		<u>356,076</u>	<u>1,062,481</u>	<u>1,202,356</u>
Ordinary shares issued		440,000	-	199,250
Redemption of B shares		-	-	(3,415,740)
<b>Net cash generated/(used) in financing activities</b>		<u>440,000</u>	<u>-</u>	<u>(3,216,490)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>495,762</u>	<u>934,526</u>	<u>(2,224,080)</u>
<b>Cash and cash equivalents at the beginning of the period</b>		<u>291,519</u>	<u>2,515,599</u>	<u>2,515,599</u>
<b>Cash and cash equivalents at the end of the period</b>		<u>787,281</u>	<u>3,450,124</u>	<u>291,519</u>

# WESTMOUNT ENERGY LIMITED

## NOTES TO THE UNAUDITED INTERIM RESULTS FOR THE PERIOD ENDING 31 DECEMBER 2011

### 1 Cash flow statement

Reconciliation of net cash flow from operating activities

	Six months ended 31 Dec 2011 (unaudited)	Six months ended 31 Dec 2010 (unaudited)	Year ended 30 June 2011 (audited)
Total comprehensive loss for the period	(409,858)	(1,586,403)	(3,319,302)
Adjustment for interest income	(42)	(3,275)	(4,429)
Adjustment for net (gain)/loss on investments at fair value through profit or loss	(911,865)	2,880,250	4,488,522
Adjustment for costs attributable to share options	215,866	21,507	56,995
Adjustments for realised gains on investments at fair value through profit or loss	962,745	(1,466,481)	(1,499,314)
Decrease/(increase) in prepayments and accrued income	2,412	2,261	(213)
(Decrease)/increase in creditors and accrued expenses	(159,572)	24,185	67,795
Net cash outflow from operating activities	<u>(300,314)</u>	<u>(127,956)</u>	<u>(209,946)</u>

### 2 Investments

	Six months ended 31 Dec 2011 (unaudited) £	Six months ended 31 Dec 2010 (unaudited) £	Year ended 30 June 2011 (audited) £
Desire PLC, at market value	430,000	1,217,625	423,115
Cost, 2 million shares (31 December 2010: 2.55 million, 30 June 2011: 2.45 million shares)	874,643	1,115,174	1,071,438
Sterling Energy, at market value	340,001	1,263,750	592,500
Cost, 0.85 million shares (31 Dec 2010: 1.5 million, 30 June 2011: 1.5 million shares)	1,467,208	2,589,192	2,589,192
Argos Resources Limited, at market value	121,300	531,000	282,600
Cost, 1 million shares (31 Dec 2010: 1.2 million, 30 June 2011: 1 million shares)	310,775	372,930	310,775
Total market value	<u>891,301</u>	<u>3,012,375</u>	<u>1,298,215</u>
Total cost	<u>2,652,626</u>	<u>4,077,293</u>	<u>3,971,405</u>
Current period movement	(1,761,325)	(1,064,918)	(2,673,190)
Reverse prior year FV adjustment	<u>2,673,190</u>	<u>(1,815,332)</u>	<u>(1,815,332)</u>
Current period income statement impact	<u>911,865</u>	<u>(2,880,250)</u>	<u>(4,488,522)</u>