

Regulatory Story

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Westmount Energy Limited - WTE Subscription & Open Offer
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Westmount Energy Limited
12 April 2017

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12 April 2017

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

Direct Subscription to raise up to £200,000

Open Offer of up to 11,285,167 new Ordinary Shares at 5 pence per share and issue of Open Offer Warrants on the basis of:

1 Open Offer Share for every 2 Existing Ordinary Shares and 1 Open Offer Warrant for every 2 Open Offer Shares subscribed

Westmount Energy Limited (AIM: WTE), the energy investment company, announces a conditional subscription ("**Investor Subscription**") to raise £200,000 in conjunction with an Open Offer to raise up to £564,258.35 (each before expenses).

Details of the Fundraising

- **Investor Subscription** - Subscription of 4,000,000 new Ordinary Shares at 5 pence each to raise £200,000 (before expenses) by means of a direct subscription with two institutional investors. The Investors will also receive 1 new Subscription Warrant for every 2 new Ordinary Shares subscribed by them

as part of the Investor Subscription. The Investor Subscription is conditional on admission of the Subscription Shares to trading on AIM.

- **Open Offer** - Up to 11,285,167 new Ordinary Shares at 5 pence each to raise up to £564,258.35 (before expenses). Qualifying Shareholders are entitled to apply for 1 Open Offer Share for every 2 Existing Ordinary Shares held by them on the Record Date and will also receive 1 Open Offer Warrant for every 2 Open Offer Shares subscribed. In order to be a Qualifying Shareholder, Shareholders must hold no fewer than 2,500 Existing Ordinary Shares on the Record Date and must not (subject to certain limited exceptions) be resident in, a citizen of, or have a registered address in the United States of America or any other Restricted Jurisdiction.
- **Offer Price** - The Offer Price of the new Ordinary Shares at 5 pence per Ordinary Share, represents a discount of 23.1 per cent. to the closing middle market share price of 6.5 pence on 11 April 2017.
- **Open Offer Warrants and Subscription Warrants** - Each Open Offer Warrant and Subscription Warrant grants the right to subscribe for one new Ordinary Share, with both exercisable at 7.5 pence and expiring on the date falling 12 months after the corresponding dates of Admission for the Open Offer and Subscription Shares. Neither the Open Offer Warrants or the Subscription Warrants will be admitted to trading on AIM.
- **Admission of Subscription Shares** - Application will be made and it is expected that commencement of dealings in the Subscription Shares will occur at 8.00 a.m. on 18 April 2017.
- **Admission of Open Offer Shares** - Admission and commencement of dealings in the Open Offer Shares is expected to occur at 8.00 a.m. on 8 May 2017
- **Directors Participation** - Mr Gerard Walsh, Mr Thomas O'Gorman and Mr Dermot Corcoran intend to take up their Open Offer Entitlements in full under the Open Offer, save that such subscriptions shall be scaled back where satisfaction of these applications in full would result in a Director together with the Director or other person with whom such Director is considered to be acting in concert with for the purposes of the City Code, together holding more than 29.99 per cent. of the Ordinary Shares in issue on Admission. Mr Thomas O'Gorman and Mr Gerard Walsh are considered a 'Concert Party' of the Company under the definition as set out in the City Code. In addition, Mr Dermot Corcoran and Mr John Craven are considered a separate Concert Party of the Company under the definition as set out in the City Code.

Reasons for the Fundraising

- As noted in its interim results to 31 December 2016, that were released on 31 March 2017, the Board continues to focus on Guyana as the primary geographic region for potential investments, and believes that there remains sufficient opportunity for investment in the medium term that should create shareholder value.
- The proceeds from the Open Offer and the Investor Subscription will be in part applied to continue Westmount's investment strategy. The Company has agreed to repay up to £77,500 of a £270,000 loan from Mr Gerard Walsh, a Director of the Company, in connection with its investment into Eco (Atlantic) Oil & Gas Ltd ("EOG") as announced on 8 February 2017. Mr Gerard Walsh has directed the Company to apply the partial repayment of his loan to his subscription in cash for his pro-rata entitlement under the Open Offer.

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Nicholas Wells / Elizabeth Bowman (Corporate Finance)

Cenkos Securities plc, which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and broker to the Company in connection with the matters described in the Circular. Persons receiving the Circular should note that Cenkos Securities plc will not be responsible to anyone other than the Company for providing the protections afforded to clients of Cenkos Securities plc or for advising any other person on the arrangements described in the Circular. Cenkos Securities plc has not authorised the contents of, or any part of, the Circular and no liability whatsoever is accepted by Cenkos Securities plc for the accuracy of any information or opinion contained in the Circular or for the omission of any information.

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Direct Subscription to raise up to £200,000

Open Offer of up to 11,285,167 new Ordinary Shares at 5 pence per share and issue of Open Offer Warrants on the basis of:

1 Open Offer Share for every 2 Existing Ordinary Shares and 1 Open Offer Warrant for every 2 Open Offer Shares subscribed

Introduction

The Board of Westmount has been considering the Company's investment policy and its ability to continue to identify and assess appropriate investments in the energy sector. The Board considers that, whilst there has been uncertainty in the sector and general negative sentiment in recent history, there will be opportunities to create value for investors in the medium term.

Accordingly, the Board is pleased to announce that it has entered into Subscription Letters with the Investors to subscribe for 4,000,000 Ordinary Shares each in the Company at the Issue Price to raise a total amount of £200,000 (the "**Investor Subscription**"). Each New Investor will receive 1 Subscription Warrant for every two Subscription Shares subscribed. The Investor Subscription is not conditional on the Open Offer completing. Subscription Share Admission is expected to occur no later than 8.00 a.m. on 18 April 2017 (or such later time and date as the Company may in its absolute discretion determine but not later than 8.00 a.m. on 1 May 2017).

In connection with the Investor Subscription, the Board is also pleased to announce that the Company is providing all Qualifying Shareholders with the opportunity to subscribe at the Issue Price for an aggregate of 11,285,167 new Ordinary Shares, to raise up to £564,258.35 before expenses, with a basic entitlement of 1 new Ordinary Share for every 2 Existing Ordinary Shares held on the Record Date, at 5 pence per share (being the Issue Price), payable in full on application. Qualifying Shareholders will also receive 1 Open Offer Warrant for every 2 Open Offer Shares subscribed, with each Open Offer Warrant granting the right to subscribe for 1 new Ordinary Share at 7.5 pence on or before the date expiring on the twelve calendar month anniversary of Admission. The Open Offer Warrants will not be admitted to trading on AIM. The Open Offer Warrants are expected to be issued in certificated form for Qualifying non-CREST Shareholders and uncertificated form for Qualifying CREST Shareholders.

The Issue Price is at a discount of 23.1 per cent. to the closing middle market price of 6.5 pence per Existing Ordinary Share on 11 April 2017 (being the last practicable date before the announcement of the Open Offer).

The Open Offer is an invitation by the Company to Qualifying Shareholders to apply to acquire up to an aggregate of 11,285,167 new Ordinary Shares (with an aggregate of 5,642,583 attaching Open Offer Warrants) at a price of 5 pence per share. If you hold Existing Ordinary Shares on the Record Date or have a bona fide market claim, other than, subject to certain exceptions, where you are a Shareholder with a registered address in, or are located in, the United States or another Restricted Jurisdiction, you

will be entitled to apply for Open Offer Shares under the Open Offer. Qualifying Shareholders will also be offered the opportunity to apply for additional shares in excess of their entitlement to the extent that other Qualifying Shareholders do not take up their Open Offer Entitlements in full. The Record Date for the Open Offer is 5.30 p.m. on 7 April 2017 which is prior to the expected date for Admission of the Subscription Shares (expected to be 8.00 a.m. on 18 April 2017). The Investors will not be eligible to participate in the Open Offer in respect of the Subscription Shares but will receive an Open Offer Entitlement to the extent of any Existing Ordinary Shares held as at the Record Date, subject to the terms and conditions of the Open Offer.

Admission of the Open Offer Shares is expected to occur no later than 8.00 a.m. on 8 May 2017 (or such later time and date as the Company may in its absolute discretion determine but not later than 8.00 a.m. on 19 May 2017). The Open Offer is not underwritten.

The Company may use its discretion in respect of any Excess Shares not taken up by Qualifying Shareholders to allot them to such places as the Company may determine.

Reasons for the Open Offer, Subscription and Use of Proceeds

The Company operates solely as an energy investment company. The investment strategy of the Company is to provide seed capital to small companies that are identified as having significant growth possibilities. The Company is dependent on its investment portfolio to fund the corporate running costs. The Board has carefully considered the current market and believes that there are opportunities for investment in the medium term that will create shareholder value. Accordingly, the Board is recommending an Open Offer to existing shareholders. In addition, the Company has entered into Subscription Letters as part of the Investor Subscription to raise £200,000.

Assuming the issue of all the Open Offer Shares, the Open Offer is expected to raise up to £564,258.35 before expenses. The proceeds from the Open Offer and the Investor Subscription will be used for the Company's ongoing working capital requirements. The Company has agreed to partially repay a loan made to the Company by Mr Gerard Walsh up to a maximum amount of £77,500 which repayment has been directed by Mr Gerard Walsh to be used to subscribe in cash for his pro rata entitlement under the Open Offer (subject to such entitlement being scaled back). In addition, the Company may use the proceeds of the Open Offer to repay additional amounts of the loan provided to the Company by Mr Gerard Walsh.

Current Trading and Prospects

As noted in the Company's interim results, the period under review continued to be a challenging and uncertain time for the Oil & Gas industry but there were continued signs of improvement.

The Directors believe that the more stable oil price and improved investor sentiment towards the energy and petroleum ("E&P") sector has given rise to some opportunities which should enable the process of repositioning the Company as a niche exploration and production investor in the conventional oil and gas sector.

The Board has identified the Guyana offshore basin as an area of interest and in line with the Board's strategy, on 8 February 2017, the Company announced a £500,000 strategic investment in Eco (Atlantic) Oil & Gas Ltd ("EOG") at a price of 16 pence per ordinary share as part of the EOG initial public offering and admission to trading on AIM.

EOG successfully raised £5.09 million in an oversubscribed placing, which is further evidence of the improvement in investor sentiment and interest in ECO's Guyanan and Namibian exploration permits. Westmount holds approximately 2.6 per cent. of EOG's issued share capital and EOG is the only junior E&P company admitted to trading 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 Shareholders a low entry cost exposure to the 1,800km² 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 barrels of oil equivalent. On 30 March 2017, ExxonMobil announced a new discovery on the Snoek oil prospect. The Board expects 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 additional working capital raised as part of the Subscription and Open Offer will allow the Company to continue to appraise and, if the Board considers it appropriate, pursue further opportunities.

Directors Participation in the Open Offer, and Related Party Transactions

Mr Thomas O'Gorman and Mr Gerard Walsh are considered a 'Concert Party' of the Company under the definition as set out in the City Code. In addition, Mr Dermot Corcoran and Mr John Craven are considered a separate Concert Party of the Company under the definition as set out in the City Code. These Concert Parties are considered to be separate. Whilst either Concert Party holds less than 30 per cent. of the issued share capital, if any of the members of each Concert Party respectively were to purchase or subscribe for any shares in the Company which takes their or each of the individual Concert Party's aggregate interest above 30 per cent., under Rule 9 of the City Code that person (and potentially the Concert Party in its entirety) will normally be required to make an offer to all Shareholders for those shares it does not own (in cash at the highest price paid in the last 12 months).

Mr Gerard Walsh and Mr Thomas O'Gorman intend to subscribe for their pro-rata entitlement in the Open Offer, save that such subscriptions shall be scaled back where satisfaction of these applications in full would result in Mr Gerard Walsh and Mr Thomas O'Gorman together holding more than 29.99 per cent. of the Ordinary Shares in issue on Admission.

Mr Dermot Corcoran intends to take up his pro rata entitlement, save that such subscription shall be scaled back where satisfaction of this application in full would result in Mr Dermot Corcoran and Mr John Craven together holding more than 29.99 per cent. of the Ordinary Shares in issue on Admission.

Each of these arrangements constitutes a related party transaction under Rule 13 of the AIM Rules for Companies. David King, who is considered independent of these arrangements, having consulted with the Company's nominated adviser, Cenkos Securities, considers that the terms of the transaction are fair and reasonable as far as Shareholders are concerned

As announced on 8 February 2017, the Company has entered into a loan agreement (the "**Loan Agreement**") with Mr Gerard Walsh pursuant to which Mr Gerard Walsh provided a loan to the Company of £250,000 to part finance the Company's investment in EOG (brief details of which are set out in paragraph 4 of Part 1 of the Circular) (the "**Director Loan**"). The current balance of the Director Loan is £270,000 reflecting further monies which have been lent since entry into the Loan Agreement.

The Company has agreed to partially repay the Director Loan by an amount of £77,500 (being equal to the consideration payable by Mr Gerard Walsh for his Open Offer Entitlement) or such lesser amount as is equal to the consideration payable by Mr Gerard Walsh for the Open Offer Shares subscribed for by him in the event that his *pro-rata* entitlement is scaled back. Mr Gerard Walsh has directed the Company to apply such an amount to his subscription for Open Offer Shares such that his subscription is fully paid up in cash.

The repayment of the Director Loan constitutes a related party transaction under Rule 13 of the AIM Rules for Companies. Thomas O'Gorman, Dermot Corcoran and David King, having consulted with the Company's nominated adviser, Cenkos Securities, consider that the terms of the transaction are fair and reasonable insofar as Shareholders are concerned.

Principal Terms of the Open Offer

A total of 11,285,167 new Ordinary Shares are available to Qualifying Shareholders pursuant to the Open Offer at the Issue Price, payable in full on application. **Any Open**

Offer Shares not subscribed for by Qualifying Shareholders will be available to other Qualifying Shareholders under the Excess Application Facility.

Although Qualifying Shareholders can apply for as many Open Offer Shares as they wish, Qualifying Shareholders will receive an entitlement to apply for Open Offer Shares pursuant to the Open Offer at the Issue Price on the following basis:

1 Open Offer Share for every 2 Existing Ordinary Shares

registered in their name on the Record Date. Entitlements of Qualifying Shareholders will be rounded down to the nearest whole number of Open Offer Shares. Fractional entitlements which would otherwise arise will not be issued to the Qualifying Shareholders but will be made available under the Excess Application Facility. For every two Open Offer Shares subscribed pursuant to the Open Offer, Qualifying Shareholders will receive one Open Offer Warrant. The Open Offer Warrants will not be admitted to trading on AIM. The Open Offer Warrants are expected to be issued in certificated form for Qualifying non-CREST Shareholders and uncertificated form for Qualifying CREST Shareholders.

The Excess Application Facility enables Shareholders to apply for Excess Shares in excess of their respective Open Offer Entitlements, if any. For the avoidance of doubt, Shareholders with no Open Offer Entitlement (by virtue of their owning fewer than 2,500 Existing Ordinary Shares on the Record Date), but excluding any Overseas Shareholder who has a registered address in the United States of America or any other Restricted Jurisdiction, may still apply for such number of Excess Shares under the Excess Application Facility as will increase their aggregate holding of Ordinary Shares in the Company to at least 5,000 Ordinary Shares in the Company.

Not all Shareholders will be Qualifying Shareholders. Shareholders who are located in, or are citizens of, or have a registered office in certain overseas jurisdictions will not qualify to participate in the Open Offer. The attention of Overseas Shareholders is drawn to paragraph 8 of Part 3 of the Circular.

Valid applications by Qualifying Shareholders will be satisfied in full up to their Open Offer Entitlements as shown on the Application Form for certificated Qualifying Shareholders. Applicants can apply for fewer or more than their entitlements under the Open Offer but the Company cannot guarantee that any application for Excess Shares under the Excess Application Facility will be satisfied as this will depend in part on the extent to which other Qualifying Shareholders apply for fewer or more than their own Open Offer Entitlements. The Company may satisfy valid applications for Excess Shares of applicants in whole or in part but reserves the right not to satisfy any excess above any Open Offer Entitlement. The Board may scale back applications made in excess of Open Offer Entitlements on such basis as it reasonably considers to be appropriate. The Board may also, in its absolute discretion, scale back applications made in respect of Open Offer Entitlements (and, where relevant, applications made in respect of Excess Shares), where satisfaction of such application(s) in full would result in that Qualifying Shareholder holding more than 29.99 per cent. of the Ordinary Shares in issue on Admission.

Application has been made for the Open Offer Entitlements and Excess CREST Open Offer Entitlements to be admitted to CREST. It is expected that such Open Offer Entitlements and Excess CREST Open Offer Entitlements will be credited to CREST on 13 April 2017. The Open Offer Entitlements and Excess CREST Open Offer Entitlements will be enabled for settlement in CREST until 11.00 a.m. on 2 May 2017. Applications through the CREST system may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of *bona fide* market claims. The Open Offer Shares must be paid in full on application. The latest time and date for receipt of completed Application Forms or CREST application and payment in respect of the Open Offer is 11.00 a.m. on 2 May 2017. The Open Offer is not being made to certain Overseas Shareholders, as set out in paragraph 8 of Part 3 of the Circular.

Qualifying Shareholders should note that the Open Offer is not a rights issue and therefore any Open Offer Shares not applied for by Qualifying Shareholders will not be sold in the market for the benefit of the Qualifying Shareholders who do not apply under the Open Offer. The Application Form is not a document of title and cannot be traded or otherwise transferred.

Further details of the Open Offer and the terms and conditions on which it is being made, including the procedure for application and payment, are contained in Part 3 of the Circular and on the accompanying Application Form.

The Open Offer Shares will be issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue.

Application will be made to the London Stock Exchange for the admission of the total number of Open Offer Shares in respect of which valid applications are received to trading on AIM. It is expected that Admission will occur and that dealings will commence at 8.00 a.m. on 8 May 2017 at which time it is also expected that the Open Offer Shares will be enabled for settlement in CREST.

No application shall be made to admit either the Open Offer Warrants or the Subscription Warrants to trading on AIM or any other stock exchange.

Details of the Investor Subscription

Each of Ashdale Investment Trust Services Limited and Davycrest Nominees Limited have subscribed for 2,000,000 new Ordinary Shares each in the Company at a proposed issue price of 5 pence per share, conditional only on Subscription Share Admission. The aggregate subscription price being £200,000.

It is expected that, following completion of the Investor Subscription but prior to completion of the Open Offer, Ashdale Investment Trust Services Limited and Davycrest Nominees Limited will hold approximately 7.5 and 9.2 per cent. respectively of the issued share capital of the Company. Subscription Share Admission is expected to occur no later than 8.00 a.m. on 18 April 2017 (or such later time and date as the Company may in its absolute discretion determine but not later than 8.00 a.m. on 1 May 2017).

Overseas Shareholders

The attention of Qualifying Shareholders who have registered addresses outside the United Kingdom, Jersey or the Republic of Ireland, or who are citizens or residents of countries other than the United Kingdom, Jersey or the Republic of Ireland, or who are holding Existing Ordinary Shares for the benefit of such persons (including, without limitation, custodians, nominees, trustees and agents) or who have a contractual or other legal obligation to forward the Circular or the Application Form to such persons, is drawn to the information which appears in paragraph 8 of Part 3 of the Circular.

In particular, Qualifying Shareholders who have registered addresses in or who are resident in, or who are citizens of, countries other than the UK, Jersey or the Republic of Ireland, (including without limitation the United States of America), should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their entitlements under the Open Offer.

Action to be Taken

Qualifying non-CREST Shareholders wishing to apply for Open Offer Shares or Excess Shares must complete the Application Form which accompanies the Circular in accordance with the instructions set out in paragraph 5.1 of Part 3 of the Circular and on the Application Form and return it with the appropriate payment to Capita Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, so as to arrive no later than 11.00 a.m. on 2 May 2017.

If you do not wish to apply for any Open Offer Shares under the Open Offer, you should not complete or return the Application Form.

If you are a Qualifying CREST Shareholder, no Application Form will be sent to you. Qualifying CREST Shareholders will have Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to their stock accounts in CREST.

Expected timetable of events

Record Date for the Open Offer	5.30 p.m. on 7 April 2017
Existing Ordinary Shares marked "ex" by London Stock Exchange	12 April 2017
Announcement of the Open Offer	12 April 2017
Posting of the Circular and Application Form to Qualifying non-CREST Shareholders	12 April 2017
Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders	13 April 2017
Subscription Share Admission and commencement of dealings in the Subscription Shares on AIM	8.00 a.m. on 18 April 2017
Recommended latest time and date for requesting withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST	4.30 p.m. on 25 April 2017
Latest time and date for depositing Open Offer Entitlements into CREST	3.00 p.m. on 26 April 2017
Latest time and date for splitting Application Forms (to satisfy bona fide market claims only)	3.00 p.m. on 27 April 2017
Latest time and date for acceptance of the Open Offer and receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instructions (if appropriate)	11.00 a.m. on 2 May 2017
Announcement of result of Open Offer	3 May 2017
Expected time and date for Admission and commencement of dealings in the Open Offer Shares on AIM	8.00 a.m. on 8 May 2017
Expected date for crediting of the Open Offer Shares and Open Offer Warrants in uncertificated form to CREST members' accounts	on 8 May 2017
Expected date of despatch of definitive share certificates/warrant certificates for Open Offer Shares and Open Offer Warrants	by 15 May 2017

If any of the details contained in the timetable above should change, the revised times and dates will be notified by means of an announcement through a Regulatory Information Service.

All references are to London time unless stated otherwise.

DEFINITIONS

The following definitions apply throughout this announcement and the Circular, unless the context requires otherwise:

"Admission"	to the extent that Qualifying Shareholders apply to subscribe for Open Offer Shares under the Open Offer, the admission of the Open Offer Shares subscribed pursuant to the Open Offer to trading on AIM
"AIM"	the AIM market operated by the London Stock Exchange
"AIM Rules for Companies"	the AIM Rules for Companies and guidance notes as published by the London Stock Exchange from time to time
"Application Form"	the personalised application form on which Qualifying non-CREST Shareholders may apply for new Ordinary Shares under the Open Offer, which accompanies the Circular
"Board" or "Directors"	the directors of the Company as at the date of the Circular
"Capita Asset Services"	a trading name of Capita Registrars Limited
"Cenkos Securities"	Cenkos Securities plc
"City Code"	United Kingdom City Code on Takeovers and Mergers
"Company" or "Westmount"	Westmount Energy Limited
"Companies Law"	the Companies (Jersey) Law 1991 (as amended)
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in the CREST Regulations)
"CREST Manual"	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996 and as amended from time to time)
"CREST member"	a person who has been admitted to CREST as a system- member (as defined in the CREST Manual)
"CREST member account ID"	the identification code or number attached to a member account in CREST
"CREST participant"	a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations)
"CREST participant ID"	shall have the meaning given in the CREST Manual issued by Euroclear
"CREST payment"	shall have the meaning given in the CREST Manual issued by Euroclear

"CREST Regulations"	the Companies (Uncertificated Securities) Jersey Order 1999 (as amended)
"CREST sponsor"	a CREST participant admitted to CREST as a CREST sponsor
"CREST sponsored member"	a CREST member admitted to CREST as a sponsored member
"Enlarged Shares"	all the issued shares of the Company as at Admission, and following (i) the issue of the Subscription Shares; and (ii) completion of the Open Offer, and assuming that the Open Offer is fully subscribed
"EU"	the European Union
"Euroclear"	Euroclear UK & Ireland Limited
"Excess Application Facility"	the arrangement pursuant to which Qualifying Shareholders may apply for additional Open Offer Shares in excess of their Open Offer Entitlements in accordance with the terms and conditions of the Open Offer
"Excess CREST Open Offer Entitlements"	in respect of each Qualifying CREST Shareholder, the entitlement (in addition to an Open Offer Entitlement) to apply for Open Offer Shares pursuant to the Excess Application Facility, which is conditional on taking up the Open Offer Entitlement in full
"Excess Shares"	Open Offer Shares applied for by Qualifying Shareholders under the Excess Application Facility
"Ex-entitlement Date"	the date on which the Existing Ordinary Shares are marked "ex" for entitlement under the Open Offer, being 12 April 2017
"Existing Options"	the options outstanding over 1,750,000 new Ordinary Shares, details of which are summarised in paragraph 9 of Part 5 of the Circular
"Existing Ordinary Shares"	the 22,570,335 Ordinary Shares in issue on the date of the Circular
"FCA"	the Financial Conduct Authority of the UK
"FSMA"	the Financial Services and Markets Act 2000 (as amended)
"Fully Diluted Enlarged Share Capital"	all the issued shares of the Company following: (i) issue of all Open Offer Shares (assuming the Open Offer is full subscribed); (ii) issue of all Subscription Shares; (iii) exercise in full of the Open Offer Warrants; (iv) exercise in full of the Subscription Warrants; and (v) exercise in full of the Existing Options
"Investors"	means each of Ashdale Investment Trust Services Ltd and Davy Nominees
"Investor Subscription"	

	the agreement by the Investors to subscribe for the Subscription Shares pursuant to the terms of the Subscription Letters
"Issue Price"	5 pence per new Ordinary Share
"London Stock Exchange"	the London Stock Exchange plc
"Money Laundering Regulations"	the Money Laundering Regulations 2007, the money laundering provisions of the Criminal Justice Act 1993, Part VIII of FSMA (together with the provisions of the Money Laundering Sourcebook of the FCSA and the manual of guidance produced by the Joint Money Laundering Steering Group in relation to financial sector firms), the Terrorism Act 2000, the Anti Terrorism Crime and Security Act 2001, the Proceeds of Crime Act 2002 and the Terrorism Act 2006
"Open Offer"	the invitation made to Qualifying Shareholders to apply to subscribe for the Open Offer Shares at the Issue Price on the terms and subject to the conditions set out in Part 3 of the Circular and, where relevant, in the Application Form
"Open Offer Entitlements"	the basic entitlements of Qualifying Shareholders to subscribe for 1 Open Offer Share for every 2 Existing Ordinary Shares held by them on the Record Date pursuant to the Open Offer
"Open Offer Shares"	the 11,285,167 Ordinary Shares (including Excess Shares) being made available to Qualifying Shareholders pursuant to the Open Offer
"Open Offer Warrants"	the warrants to be issued pursuant to the Open Offer, being one warrant for every two Open Offer Shares subscribed, vesting immediately on Admission with each warrant granting the right to subscribe for one new Ordinary Share exercisable at 7.5 pence and expiring on the date falling 12 months after Admission, further details of which are set out in paragraph 10 of Part 1 of the Circular
"Ordinary Shares"	the ordinary shares of the Company of no par value
"Overseas Shareholders"	a Shareholder with a registered address outside the United Kingdom
"Qualifying CREST Shareholders"	Qualifying Shareholders holding Existing Ordinary Shares in a CREST account
"Qualifying non-CREST Shareholders"	Qualifying Shareholders holding Existing Ordinary Shares in certificated form
"Qualifying Shareholders"	holders of no fewer than 2,500 Existing Ordinary Shares on the register of members of the Company at the Record Date (but excluding any Overseas Shareholder who is a resident, or who is a citizen of, or who has a registered address in the United States of America or any other Restricted Jurisdiction)

"Record Date"	5.30 p.m. on 7 April 2017
"Receiving Agent"	Capita Asset Services
"Registrar"	Capita Registrars (Jersey) Limited
"Regulatory Information Service"	has the meaning given in the AIM Rules for Companies
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"Securities Act"	US Securities Act of 1933 (as amended)
"Shareholders"	the holders of Existing Ordinary Shares
"Subscription Letters"	the subscription letters entered into between the Company and each of the Investors on 11 April 2017 setting out the terms of the Investor Subscription
"Subscription Shares"	the 4,000,000 new Ordinary Shares to be subscribed by the Investors pursuant to the Investor Subscription
"Subscription Share Admission"	the admission of the Subscription Shares subscribed pursuant to the Investor Subscription to trading on AIM
"Subscription Warrants"	the Warrants to be issued to the Investors pursuant to the Investor Subscription, being one warrant for every two Subscription Shares subscribed, vesting immediately on Subscription Share Admission with each warrant granting the right to subscribe for one new Ordinary Share exercisable at 7.5 pence and expiring on the date falling 12 months after Subscription Share Admission, further details of which are set out in paragraph 10 of Part 1 of the Circular
"UK"	the United Kingdom of Great Britain and Northern Ireland
"United States", "United States of America" or "US"	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia

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