

CHAIRMAN'S INTERIM REVIEW

The results for the six months ended 31 December 2006 show a loss of £91,090 versus a profit of £4,050,578 (restated following the introduction of FRS 20: Share Based Payment), after taxation for the six months ended 31 December 2005.

Following the death of Westmount's Chairman Mr Derek G Williams on 19 January 2007, steps have been taken to review the composition of the Board, and as a result, the Board is pleased to have recently announced the appointment of Alan Levison as a director and as Chairman of the Board with effect from 17 March 2007.

Alan brings with him 30 years of experience in the oil and gas industry. He holds an M.Sc. in Petroleum Geology from Imperial College London and has spent the majority of his career in Chevron and BG in senior management roles. In recent years Alan has served on the boards of Fusion Oil and Gas plc, Sterling Energy plc and is currently serving on the board of Eclipse Energy UK plc, where Westmount holds a significant equity interests.

The re-constituted Board is undertaking a detailed review of Westmount's strategy in relation to both existing investments as well as other opportunities which may exist or which may arise, to enhance the value per share for the benefit of shareholders.

On 8 February 2007, Eclipse Energy UK plc ("Eclipse"), the low carbon energy company, announced that it had been granted consent to construct and operate the Ormonde offshore wind farm and to generate and export electricity from the adjacent Ormonde Gas Fields development by the UK Government. This consent completes the series of principal permissions necessary to construct the world's first co-development of offshore gas and wind energy in the East Irish Sea.

When constructed, Ormonde is expected to be able to generate up to 200 MW of electricity from gas turbines and a dedicated offshore wind farm of 30 turbines. The project which anticipates the first energy to be produced in 2009, will be able to supply the equivalent of three quarters of Cumbria's domestic local generating demand which is enough energy to power over 155,000 homes, the equivalent of which 71,000 would be powered by renewable energy, and which will save up to 286,000 tons of CO₂ per year. The Board believes that as the largest equity shareholder in Eclipse, Westmount is in an excellent position to capitalise on the on the potential next stages in Eclipse's development.

On 8 January 2007, the £500,000 Convertible Loan to AIM quoted CDS Oil & Gas Group plc ("CDS"), together with accrued interest of £36,123.29, was converted into equity and Westmount subscribed for 37,622,687 shares in CDS. Westmount now has a 9.79% interest in the enlarged share capital of CDS.

In addition to its interests in Eclipse and CDS, Westmount holds 30,000,000 shares of AIM quoted Sterling Energy plc and 5,500,000 shares in AIM quoted Desire Petroleum plc.

The Ordinary shares of Westmount (originally of 10p par value) commenced trading on AIM on 2 October 1995 at 15p. Following a share capital re-organisation and repurchase of shares by Westmount, there are now 7,425,000 20p Ordinary shares in issue traded on AIM held by approximately 1,350 shareholders. There are also share options outstanding over 750,000 20p Ordinary Shares exercisable at a subscription price of 103.5p per share, over various periods, expiring 31 December 2012.

WESTMOUNT ENERGY LIMITED

PROFIT AND LOSS ACCOUNT

	Six months to 31 December 2006 (unaudited) £	Restated Six months to 31 December 2005 (unaudited) £	Restated Year to 30 June 2006 (audited) £
Turnover – discontinued operations	-	1,118	1,118
Operating Costs	-	-	-
Surplus on termination of North Sea overriding royalty interest (before taxation)	-	1,706,201	1,706,201
Profit on disposal of investments	-	3,189,999	3,190,096
Interest Receivable	59,581	73,277	178,238
Administration Expenses	(150,671)	(452,743)	(609,047)
Profit/(Loss) on ordinary activities before taxation	(91,090)	4,517,852	4,466,606
Taxation	-	(467,274)	(467,274)
Profit/(Loss) on ordinary activities after taxation	(91,090)	4,050,578	3,999,332
Basic Earnings/(Loss) per ordinary share	(1.23)p	26.98p	53.44p
Diluted Earnings/(Loss) per ordinary share	(1.11)p	49.06p	48.57p

The results for both the prior period to 31 December 2005 and the year to 30 June 2006 have been restated for the application of Financial Reporting Standard 20: Share-based Payment. The 750,000 share options issued on 22 December 2005 have been ascribed a fair value of 39.07p each (total cost of £293,025). This cost has been accounted for within Administration Expenses in prior periods and an equal Share Option Reserve has been created in Shareholders Funds.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Six months to 31 December 2006 (unaudited) £	Restated Six months to 31 December 2005 (unaudited) £	Restated Year to 30 June 2006 (audited) £
Profit/(Loss) retained for the period	(91,090)	4,050,578	3,999,332
Cost of B share issue and consolidation	-	-	(155,895)
Total recognised gains and losses relating to the period	(91,090)	4,050,578	3,843,437

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BALANCE SHEET

	Note	31 December 2006 (unaudited) £	Restated 30 June 2006 (audited) £
FIXED ASSETS			
Investments		5,418,141	4,882,017
CURRENT ASSETS			
Debtors		-	505,549
Cash at bank		667,366	880,222
		<u>6,085,507</u>	<u>6,267,788</u>
CREDITORS			
Amounts falling due within one year		(148,399)	(176,148)
		<u>5,937,108</u>	<u>6,091,640</u>
TOTAL ASSETS LESS CREDITORS			
		<u>5,937,108</u>	<u>6,091,640</u>
SHARE CAPITAL AND RESERVES			
Share Capital	1	1,485,000	1,496,686
Share Premium Account	2	668,220	668,220
Share Option Account	3	293,025	293,025
Capital Redemption Reserve	4	150,134	150,134
Profit and Loss Account	5	3,340,729	3,483,575
		<u>5,937,108</u>	<u>6,091,640</u>
SHAREHOLDERS' FUNDS			
		<u>5,937,108</u>	<u>6,091,640</u>

Notes:

	£
1. Share Capital -	
Balance 01.07.2006	1,496,686
Purchase of own shares	<u>(11,686)</u>
Balance 31.12.2006	<u>1,485,000</u>
2. Share Premium Account -	
Balance 01.07.2006	<u>668,220</u>
Balance 31.12.2006	<u>668,220</u>
3. Profit and Loss Account -	
Balance 01.07.2006	-
Prior year adjustment - issue of	
750,000 share options at 39p fair value	<u>293,025</u>
Adjusted balance 01.07.2006	<u>293,025</u>
Balance 31.12.2006	<u>293,025</u>
4. Capital Redemption Reserve -	
Balance 01.07.2006	<u>150,134</u>
Balance 31.12.2006	<u>150,134</u>
5. Profit and Loss Account -	
Balance 01.07.2006	3,776,600
Prior year adjustment - issue of	
750,000 share options at 39p fair value	<u>(293,025)</u>
Adjusted balance 01.07.2006	3,483,575
Loss for 6 months ended 31.12.2006	(91,090)
Purchase of own shares	<u>(51,756)</u>
Balance 31.12.2006	<u>3,340,729</u>

WESTMOUNT ENERGY LIMITED**CASH FLOW STATEMENT**

	Six months to 31 December 2006 (unaudited) £	Six months to 31 December 2005 (unaudited) £	Year to 30 June 2006 (audited) £
Net cash inflow/(outflow) from operating activities	327,129	(161,479)	(325,752)
Returns on investment and servicing of finance	59,581	73,277	178,238
Taxation paid	-	-	(500,869)
Capital expenditure and financial investment	(536,123)	9,528,763	9,028,860
Cash inflow/(outflow) before financing	(149,413)	9,440,561	8,380,477
Financing	(63,442)	(42,527)	(7,535,046)
Increase/(decrease) in cash	(212,855)	9,398,034	845,431
Reconciliation of cash flow to movement in net funds/(debt)			
Increase/(decrease) in cash	(212,855)	9,398,034	845,431
Loan advance	-	-	500,000
Loan repayment	(500,000)	-	-
Change in net funds/(debt) resulting from cash flows	(712,855)	9,398,034	1,345,431
Net funds brought forward	1,380,222	34,791	34,791
Net funds carried forward	667,367	9,432,825	1,380,222
Represented by:			
Debtors	-	-	500,000
Cash at bank	667,367	9,432,825	880,222
Net funds carried forward	667,367	9,432,825	1,380,222

WESTMOUNT ENERGY LIMITED

COMPANY INFORMATION

Directors	Alan Levison (Chairman) Peter J. Richardson Marc S.D. Yates Paul R. Anderson
Secretary and Registered Office	Bedell Secretaries Limited 26 New Street St Helier Jersey JE2 3RA Channel Islands
Nominated Adviser and Nominated Broker	Ruegg & Co Limited 39 Cheval Place London SW7 1EW
Legal Advisers	Jersey Ogier Whiteley Chambers Don Street, St Helier Jersey JE4 9WG Channel Islands UK Stikeman Elliott Dauntsey House 4B Frederick's Place London EC2R 8AB
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 IRG (Offshore) Limited Victoria Chambers Liberation Square 1-3 The Esplanade St Helier Jersey JE2 3QA Channel Islands