WESTMOUNT ENERGY LTD

ANNUAL REPORT

AND

AUDITED FINANCIAL STATEMENTS

30 JUNE 2022

WESTMOUNT ENERGY LTD

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

CONTENTS

COMPANY INFORMATION

Directors	Gerard Walsh (Chairman) D R King T P O'Gorman D Corcoran
Secretary and Registered Office	Stonehage Fleming Corporate Services Limited No 2 The Forum Grenville Street St Helier Jersey JE1 4HH Channel Islands
Nominated Adviser and Nominated Broker	Cenkos Securities Plc 6-8 Tokenhouse Yard London EC2R 7AS
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Auditor	Moore Stephens Audit & Assurance (Jersey) Limited 1 Waverley Place Union Street, St Helier Jersey JE4 8SG Channel Islands
Bankers	The Royal Bank of Scotland International Limited 71 Bath Street, St Helier Jersey JE4 8PJ Channel Islands
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CHAIRMAN'S REVIEW

2022 Highlights

- **Cash balance of £1.0M at 30 June 2022; no debt**
- **Indirect exposure to the recently spudded Gazania-1 well, targeting 300 MMbbls light oil resource, in Block 2B, Orange Basin, South Africa**
- **Drilling interregnum with respect to the Canje and Kaieteur blocks, offshore Guyana, while environmental permitting is progressing with a view to potential new drilling programs on these blocks from 2023**
- **Sector consolidation manoeuvres - proposed ‘all paper’ acquisition of JHI Associates Inc. by Eco (Atlantic) Oil & Gas Ltd announced, but subsequently terminated**

Globally, the last 12 months have been characterised by a dramatic recovery from the economic effects of the COVID pandemic. Spiking demand, fostered by various government stimuli and accommodative monetary policies, had already resulted in tightening supply chains prior to the impact of the Russian invasion of Ukraine in February and subsequent disruptions caused by the western response via sanctions imposed upon Russia. While global oil demand has rebounded towards pre-COVID levels of approximately 100 MMbbls per day, supply has struggled to keep up as reflected in the seven successive quarters of declining global oil inventories prior to April 2022. From mid-year the global economic outlook has started to weaken as spiralling inflation has resulted in tightening monetary policies, higher interest rates and bearish equity markets. Brent oil prices which peaked above USD $120 per barrel in June have since continued to slide to below USD $90 per barrel in early October on the back of recessionary concerns. Nevertheless, while the long-term picture suggests that growth in global oil demand will continue to decelerate, the near-term outlook remains volatile. Factors that are likely to influence near term prices include – the tapering of Strategic Petroleum Reserve releases to the market; switching from gas to oil for electricity generation due to high gas prices; potential ending of zero-COVID policy and rolling lockdowns in China, the world’s largest oil importer; impact of 2 MMbbls per day OPEC+ supply cuts announced in early October; the trajectory of the war in Ukraine and associated western sanctions; trends in exchange rates, with current US dollar strength dampening demand for dollar denominated commodities like oil.

While there is evidence that long term GDP growth has started to decouple from total energy demand and CO_2 emissions growth, the short-term trajectory indicates increasing global energy demand[1]. Regional underperformance of some renewable energy sources together with the ongoing war in Ukraine is reshaping the immediate energy transition narrative, bringing greater focus on energy security, system resilience and affordability in the near term. Europe, in particular, faces significant challenges with respect to energy security and affordability while trying to decarbonize – in the context of re-engineering its supply chains to substitute for previous oil and gas imports from Russia. Longer term the conflicting challenges of growing the global energy supply by about 20 percent over the next 20 years while reaching net zero emissions by 2050 is being undermined by underinvestment in the oil and gas sector. As the recent ‘unintended consequences’ of over reliance on renewable energy and/or single suppliers of energy have shown, energy transition is complex and multi-dimensional which suggests that multiple reliable sources of energy including low cost, low carbon, oil and gas that can be rapidly commercialised, will have a role to play in the energy system for decades to come.

During the last twelve months Guyana has continued its journey towards becoming a significant oil producing nation with rapidly progressing offshore developments, including the expected installation of at least six Floating Production Storage and Offloading (FPSO) units on the Stabroek Block by end 2027 (with a production capacity of more than 1 million BOPD) and the potential for up to 10 FPSOs based upon the current discovered resource inventory of in excess of 11 billion barrels of oil equivalent.[2,3] Three of these FPSOs are already operating or are under construction – with the Liza Phase 1 (Destiny FPSO) producing at a rate of 140,000 BOPD during 2022 (20,000 BOPD above nameplate capacity), Liza Phase 2 (Unity FPSO) on stream since February 2022 reaching its nameplate production capacity of 220,000 BOPD in early June and with a third field development, Payara (Prosperity FPSO), also with 220,000 BOPD capacity, on track for start-up in late 2023. In addition, a 4th development was sanctioned in April 2022. This will bring on stream the Yellowtail discoveries (One Guyana FPSO), targeting a gross production capacity of 250,000

CHAIRMAN'S REVIEW *(continued)*

BOPD and first oil in 2025. A number of follow-on developments are also envisaged, including a 5th project centred on the Uaru-Mako discovery, with a Plan of Development expected to be submitted to the government by year end 2022 and first oil targeted at the end of 2026.[3]

In parallel with the development of the already discovered resource offshore Guyana, the multi-billion barrels undiscovered upside in the basin continues to attract aggressive exploration investment, driven by large prospects, low breakeven costs, low carbon emissions and the energy transition dynamics. In October 2021, on the back of a string of exploration successes, estimates of gross discovered resources on the Stabroek Block were revised upwards to approximately 10 billion barrels of oil equivalent. The preceding exploration drilling 'purple patch' included discoveries at Redtail-1, Yellowtail-2, Uaru-2, Mako-2, Longtail-3, Turbot-2, Whiptail-1, Whiptail-2, Pinktail-1 and Cataback-1 bringing the total number of reported significant discoveries at that time on the Stabroek Block to twenty-one. Relentless exploration success has continued into 2022 with an additional nine significant discoveries reported so far this year (Fangtooth-1, Lau Lau-1, Patwa-1, Lukanani-1, Barreleye-1, Seabob-1 Kiru Kiru-1, Yarrow-1 and Sailfin-1) bringing the total number of discoveries to date, on the Stabroek block, to thirty.[3] In April 2022, Hess Corporation announced an increase in the gross discovered recoverable resource estimate for the Stabroek Block to approximately 11 billion barrels of oil equivalent. The positive outcome at Fangtooth-1 is of particular significance as this was the first well dedicated to a deep exploration target in the Stabroek area, with the results indicating the potential for commercial exploitation of the deeper plays and offering encouragement for the drilling of deep targets elsewhere in the basin, including on the Kaieteur and Canje Blocks. With advertised multibillion barrel exploration potential in the basin, exploration drilling continues apace – with a total of 12 exploration and appraisal wells scheduled for drilling on the Stabroek Block in 2022[3] – signalling continued aggressive evaluation of the upside potential in the basin within fixed prospecting licence timeframes.

Separately, in January 2022, the Joint Venture of CGX Energy Inc. and Frontera Energy Corporation reported the Kawa-1 discovery located in the north of the Corentyne Block. This well was spudded in a water depth of 355 metres and drilled to a Total Depth of 6,578 metres. Wireline logging indicates that the well encountered 61m of net hydrocarbon bearing reservoirs within Maastrichtian, Campanian, Santonian and Coniacian intervals. Reservoir fluids are uncertain as MDT fluid samples were not obtained from the well, though the presence of liquid hydrocarbons has been interpreted in the Santonian reservoir, from other analyses.[4] Kawa-1 was plugged and abandoned and the commercial potential of the discovery has yet to be determined. The Joint Venture is planning to follow-up with the Wei-1 exploration well, in Q4 of 2022, targeting stacked Campanian and Santonian channel sandstone reservoirs.

In the Surinamese sector, the Total/Apache consortium has increased its discovery count from four to six with the announcement of the Krabdagu-1 (Block 58) and Baja-1 (Block 53) discoveries in February and August 2022, respectively[4,5]. Prior stacked reservoir discoveries on Block 58 reported generally light oil and gas-condensate pay in shallower Campanian reservoirs overlying light oil pay in deeper Santonian reservoirs – pointing towards some potential challenges around valorisation of large associated gas volumes. The Krabdagu-1 well encountered 90 metres of net oil pay in good quality Maastrichtian and Campanian reservoirs. Subsequent flow testing of two lower intervals, in the Upper and Lower Campanian, indicated the presence of 35°-37°API oil and a connected oil-in-place resource of 180 MMbbls attributable to these two reservoirs. In spite of reported correlation issues between seismic and well data, Total as operator, continues to focus on appraisal of the shallower Maastrichtian-Campanian reservoirs with a view to progression towards FID in mid-2023 for the initial standalone oil development on Block 58. Results at Sapakara South-1 appraisal well, drilled 4 kms east of the Sapakara-1 discovery well, were announced in November 2021 – confirming the presence of 30m net high-quality black oil in Maastrichtian-Campanian sandstones which flowed 4,800 BOPD during a restricted flow test, with analysis indicating a connected in-place resource of more than 400 MMbbls in a single reservoir. However, disappointing Maastrichtian-Campanian appraisal outcomes were reported during the period on the eastern side of Kwaskwasi and at Keskesi South-1, together with two exploration failures at Rasper-1 (Block 53) and Dikkop-1 (Block 58).[4,5] In addition, during November 2021, the Total/Apache consortium reported a non-commercial discovery at the Bonboni-1 exploration well in the north of Block 58. This well encountered high quality water bearing reservoirs in the primary Maastrichtian-Campanian targets though a single Maastrichtian sandstone contained 16m of net oil pay with an estimated 25°API oil gravity.

CHAIRMAN'S REVIEW *(continued)*

Exploration drilling results continue to support the presence of multiple plays, quality reservoirs and the potential for stacked-pay drilling opportunities within the basin. Although the Upper Cretaceous Maastrichtian-Campanian Liza play dominates in terms of number of discoveries and discovered volumes to date the deeper Santonian pools on Block 58, in conjunction with the deeper hydrocarbons reported at Liza-3, Tripletail-1, Yellowtail-2, Uaru-2, Turbot-2, Longtail-3, Hassa-1 and Fangtooth-1 on the Stabroek Block, together with the hydrocarbon shows reported at Sapote-1 on the Canje Block, and the logged net pay in the Santonian-Coniacian intervals at Kawa-1 on the Corentyne Block, all suggest an extensive emerging deeper play fairway within the basin. Offshore Suriname, oil pay has recently been reported from the Zanderij-1 (Shell, Block 42) where the operator was targeting the Santonian and deeper intervals, with well results currently under evaluation.[6] Additional deep drilling with multiple targets is scheduled from Q4 2022 at Wei-1 (CGX Energy Inc., Corentyne Block), at Awari-1 (TotalEnergies, Block 58) and at Fangtooth SE-1, Fish-1 and Lancetfish-1 (ExxonMobil, Stabroek Block).

It is against this backdrop that the hydrocarbon plays and prospect inventories on the Kaieteur and Canje blocks are being reassessed – by integrating the analysis of the extensive core and fluid samples collected during the 2020-2021 drilling campaigns, by updating the regional petroleum system models and by high grading prospects for the next phase of drilling.

Kaieteur Block

The first well on the Kaieteur block, Tanager-1, remains the deepest well drilled in the Guyana-Suriname Basin to date. It was spudded on 11 August 2020, using the Stena Carron drillship. The well was drilled in a water depth of 2,900 metres and reached a total depth of 7,633 metres circa mid-November 2021. Evaluation of LWD, wireline logging and sampling data confirmed 16 metres of net oil pay (20ºAPI oil) in high-quality sandstone reservoirs of Maastrichtian age. Although high quality reservoirs were also encountered at the deeper Santonian and Turonian intervals, initial interpretation of the reservoir fluids was reported to be equivocal, requiring further analysis – results of which have yet to be disclosed. Post well analysis and integration of the data collected continues with a view to high grading the next drilling target on the Kaieteur block.

A post-well Netherland, Sewell & Associates Inc. (“NSAI”) published CPR (February 14, 2021) indicates that the Tanager-1 Maastrichtian discovery contains a 'Best Estimate' Unrisked Gross (2C) Contingent Oil Resource of 65.3 MMBBLs (Low to High Estimates 17.7 MMBBLs to 131 MMBBLs) – with a 'Best Estimate' Unrisked Net (2C) Contingent Oil Resource attributable to the Kaieteur Block of 42.7 MMBBLs (Low to High Estimates 11.3 MMBBLs to 86 MMBBLs). However, this discovery is currently considered to be non-commercial as a standalone development.

Subsequent to the Tanager-1 discovery, on 24 May 2021, it was announced that Hess Corporation (“Hess”) had increased its working interest (“WI”) in the Kaieteur Block, offshore Guyana, from 15% to 20% via the farm-down of a 5% WI by Cataleya Energy Limited (“CEL”). Although the details of this farm-in transaction were not disclosed this farm-in, by one of the Stabroek block partners and a leading player in the Guyana-Suriname basin, suggests confidence in the prospective resource potential of the Kaieteur Block and augurs well for the continuing exploration of the area.

On 23 August 2021 it was announced that the date for elective nomination, by the operator, of the prospect target for the second well on the Kaieteur Block has been extended by seven months and on 22 March 2022 a further extension of the nomination date was agreed to 2 October 2023. The Kaieteur Block partners agreed to this extension to facilitate continuing geological and geophysical analysis by the operator and integration of recent and ongoing deep play drilling program results on adjacent blocks into the Kaieteur prospect nomination decision. Under a farm-in agreement executed with ExxonMobil (operator) in 2016, any drilling consequent to the 2nd well prospect nomination decision will commence within nine months of the nomination date. The operator, as farminee, continues to bear all farmor JV expenses during the prospect nomination extension period.

In September 2021, the operator, ExxonMobil, submitted an application for environmental authorization to the Environmental Protection Agency (EPA) to proceed with an up to 12 well exploration campaign on the Kaieteur Block.

CHAIRMAN'S REVIEW *(continued)*

The Kaieteur Block is currently operated by an ExxonMobil subsidiary, Esso Production & Exploration Guyana Limited (35%), with Cataleya Energy Limited ("CEL") (20%), Ratio Guyana Limited ("RGL") (25%) and a subsidiary of Hess Corporation, Hess Guyana (Block B) Exploration Limited (20%) as partners. Westmount retains a holding of approximately 5.3% of the issued share capital of Cataleya Energy Corporation ("CEC") the parent company of CEL and circa 0.04% of the issued share capital of Ratio Petroleum Energy Limited Partnership ("Ratio Petroleum") the ultimate holding entity with respect to RGL.

Canje Block

The first well on the Canje block, Bulletwood-1, was spudded on 31 December 2020 using the Stena Carron drillship and was completed in early March. The well was safely drilled in a water depth of 2,846 metres to its planned target depth of 6,690 meters. The primary target in the well was a Campanian age confined channel complex. The well encountered quality reservoirs but non-commercial hydrocarbons. There has been limited disclosure of the well results to date as detailed analysis of the data collected is ongoing. However, the initial results confirm the presence of the Guyana-Suriname petroleum system and the potential prospectivity of the Canje Block.

Initial drilling operations at the second well on the Canje block, Jabillo-1, commenced on 14 March 2021 using the Stena Carron drillship. Previously published information indicated that Jabillo-1 was targeting a Late Cretaceous, Liza-age equivalent, basin floor fan. After interruption for a brief period of maintenance work on the drillship drilling operations at Jabillo-1 recommenced circa 5 June 2021 and were completed in early July. The well was safely drilled in a water depth of 2,903 metres to its planned target depth of 6,475 meters. The well did not encounter commercial hydrocarbons.

The third well on the Canje block, Sapote-1, was spudded circa 29 August 2021, using the Stena DrillMAX drillship, and reached TD in late October 2021. This well is located in the southeast of the Canje Block, approximately 60kms north of the Campanian and Santonian Maka Central-1 stacked pay discovery. The well was safely drilled in a water depth of 2,549 metres to a total depth of 6,758 meters. It encountered non-commercial hydrocarbons in one of the deeper exploration targets.

Westmount holds an indirect interest in the Canje Block as a result of its circa 7.2% interest in the issued share capital of JHI Associates Inc. ("JHI"). The company also holds an additional indirect interest in the Canje Block as a result of its shareholding in Eco (Atlantic) Oil and Ltd. ("EOG") and following the investments in JHI Associates Inc. ("JHI") announced by EOG on 28 June 2021 and 19 January 2022. Subsequent to the initial EOG transaction and a previous 2018 farm-out to Total, JHI was fully carried/funded for the 2021 three well drilling campaign and is also funded for additional drilling, with a reported USD$19.7M in cash and cash equivalents as of 31 December 2021.[7]

On 14 March 2022, EOG announced that it had signed a Commercially Binding Term Sheet to acquire 100% of JHI, including its wholly owned subsidiary JHI Associates (BVI) Inc., via a cashless transaction. However, on 14 June 2022 EOG announced that the proposed acquisition had been terminated.[7]

The Canje Block is currently operated by an ExxonMobil subsidiary, Esso Exploration & Production Guyana Limited (35%), with TotalEnergies E&P Guyana B.V. (35%), JHI Associates (BVI) Inc. (17.5%) and Mid-Atlantic Oil & Gas Inc. (12.5%) as partners.

Orinduik Block

Westmount continues to hold an indirect interest in the Orinduik Block as a result of its circa 0.4% interest in the issued share capital of Eco (Atlantic) Oil and Gas Ltd. ("EOG"). Over the last 12 months the focus of the Orinduik Block JV partners has continued to be on the analysis and assimilation of the 2019/20 drilling results and data gathering program, the reprocessing and re-interpretation of the 3D seismic data, and the highgrading of the Cretaceous light oil prospect inventory with a view to target selection for the next drilling campaign on the Orinduik Block.

The Orinduik Block is currently operated by Tullow Guyana B.V. (60%), with TOQAP Guyana B.V. (25%) and EOG (15%) as partners. TOQAP Guyana B.V. is jointly owned by TotalEnergies E&P Guyana B.V. (60%) and Qatar Petroleum (40%).

CHAIRMAN'S REVIEW *(continued)*

Portfolio Effect

Westmount's investment strategy has been to provide shareholders exposure to a portfolio of drilling outcomes in the Guyana-Suriname Basin, in blocks immediately adjacent to the prolific Stabroek Block. Since 2019, we have participated, indirectly via our investee companies, in six wells (Jethro-1, Joe-1, Tanager-1, Bulletwood-1, Jabillo-1 and Sapote-1), offshore Guyana, which have yielded three oil discoveries (Jethro, Joe and Tanager), but no standalone commercial success to date. While these initial drilling outcomes are below our expectations for the portfolio, the results provide encouragement and must be viewed in the context of 'large step-out' wells evaluating giant stratigraphic prospects while seeking to establish the perimeter of the multiple Tertiary and Cretaceous play fairways both to the northeast and southwest of the prolific Stabroek block. Recent discoveries reported by Apache in Block 53 (Baja-1; 34m net light oil pay) and by CGX Energy Inc. in Corentyne Block (Kawa-1; 61m logged net hydrocarbon pay) have confirmed the potential for significant discoveries out-with of the main Stabroek-Block 58 trend.

In any case, the high-quality reservoirs of various stratigraphic ages encountered in the initial Kaieteur, Canje and Orinduik drilling campaigns indicates that these areas are capable of supporting deep-water developments when containing commercial volumes of light oil. Recent public domain presentation and commentary suggests that trap adequacy and hydrocarbon migration/timing are the key exploration risks inferred from these initial drilling results, out-with of the Stabroek Block sweet-spot. The current drilling interregnum provides an opportunity to fully digest the learnings of the initial drilling programs and the ongoing neighbourhood successes. These results together with the analysis and synthesis of the extensive well data gathering programs executed by the respective operators should improve understanding of the plays, reduce sub-surface risk and inform prospect selection for the next round of drilling on the Canje, Kaieteur and Orinduik blocks.

We remain hopeful that the geoscience learning curve combined with the portfolio effect provided by drilling an extended sequence of prospects in this prolific basin will win out over individual prospect risks to yield a commercial discovery. We look forward to the next drilling campaign across these blocks which is expected to commence as soon as the re-evaluation groundwork has been completed and drilling permits are in place. Environmental permitting applications, with respect to potential 12 well drilling programs on both the Kaieteur and Canje blocks, have already been submitted by the operator, ExxonMobil, and are under discussion with the Environmental Protection Agency (EPA).

In the meantime, the Westmount portfolio benefits from additional diversification via indirect exposure to the recently spudded Gazania-1 well, courtesy of EOG's 50% Working Interest in Block 2B, offshore South Africa. Block 2B is located in the south-eastern part of the emerging Orange Basin where exploration activity has been energised by the recently announced Venus-1 (TotalEnergies) and Graff-1 (Shell) giant light oil and associated gas discoveries, offshore Namibia. This Gazania-1 well is targeting a 300 MMbbls prospective oil resource in stacked pay up dip of the 1988 A-J1 light oil discovery.[7] The well is located circa 25kms offshore, in water depth of 150 meters, with an estimated total depth of approximately 2,800 meters. The well is being drilled using the Island Innovator semi-submersible rig, is estimated to take approximately 25 days to drill, with an option to drill a side-track well contingent on a discovery in the main target.

Investment portfolio summary

As of 30 June 2022 Westmount had a cash balance of £1.0M and is debt free.

As of 30 June 2022 Westmount continues to hold a total of 5,651,270 shares in JHI, representing approximately 7.2% of the issued common shares in JHI.

Westmount continues to hold a total of 567,185 common shares in CEC, representing approximately 5.3% of the issued share capital of CEC.

Westmount continues to hold 1,500,000 shares in EOG, representing approximately 0.44% of the common shares in issue.

Westmount continues to hold 89,653 shares in Ratio Petroleum representing approximately 0.04% of the issued share capital.

CHAIRMAN'S REVIEW *(continued)*

The complete investment portfolio is summarised in Table 1.

The reported financial loss for the period is primarily made up of a non-cash loss on financial assets held at fair value through the profit and loss, some of which is as a result of foreign exchange movements on the portfolio investments when valued at the period end.

On 14 March 2022 a proposed 'all paper' acquisition of JHI by EOG was announced, offering a consideration to JHI shareholders of 1.1994 new common shares in EOG for each JHI share held which in aggregate, upon completion, would lead to JHI shareholders holding approximately 34% of the enlarged issued share capital of EOG. However, this proposed transaction was subsequently terminated on 14 June 2022.[7]

Westmount Energy Ltd. - Investment Portfolio - 30 June 2022

Guyana - Strategic Corporate Investments			
UnListed - Private Corporations		**Approximate Holding**	**Main Asset**
JHI Associates Inc.	5,651,270 common shares	~7.2% issued shares[1]	17.5% Canje Block
Cataleya Energy Corp.	567,185 common shares	~5.3% issued shares[2]	20% Kaieteur Block
Listed - Public Corporations			
Eco Atlantic Oil & Gas Ltd.	1,500,000 common shares	~0.44% issued shares[3]	15% Orinduik Block
Ratio Petroleum LP	89,653 share units	~0.04% issued shares	25% Kaieteur Block
Non-Guyana - Energy Investments			
Listed - Public Corporations			
Argos Resources Ltd.	1,000,000 common shares	~0.4% issued shares	100% PL001 Falkland. Is.

[1] *Assumes same number of shares in issue as at 31 December 2021;* [2] *Assumes same number of shares in issue as at 10 August 2020*
[3] *Assumes same number of shares in issue as at 6 July 2022*

Table 1

Summary/Outlook

A dramatic recovery from the economic effects of the COVID pandemic, combined with the invasion of Ukraine and associated consequences, has resulted in surging oil and gas prices during the first half of 2022. While this environment has had a positive impact on industry sentiment, a change in the economic picture from mid-year due to spiking inflation, rising interest rates and gathering recessionary clouds have induced a softening in oil prices with a volatile outlook ahead. Energy security, energy system resilience and energy affordability have now become key considerations for governments and policy makers in the face of dawning recognition that overreliance on single sources of energy supply together with years of underinvestment in oil and gas are significant factors in the current energy supply-demand gap.

With at least 11 significant discoveries reported so far in 2022, the Guyana-Suriname basin continues to be a global hotspot for exploration activity. An industry focus on 'advantaged barrels' resulting from the unique combination of prospect sizes, reservoir quality, low carbon intensity and low breakeven metrics ($25/bbl-$35/bbl), is likely to see exploration drilling maintained offshore Guyana for some time to come. While the initial drilling outcomes from the Westmount portfolio have yet to deliver a standalone commercial discovery, the results to date provide encouragement and must be viewed in the context of initial 'large step-out' wells evaluating giant stratigraphic prospects while seeking to establish the perimeter of the multiple play fairways both to the northeast and southwest of the prolific Stabroek block.

We are also heartened by the industry's continuing appetite for exploration acreage in the Guyana-Suriname basin in spite of the mixed drilling results to date out-with of the Stabroek block – such as the Hess 5% farm-in on the Kaieteur Block (post Tanager-1) and the award of 3 blocks in the Surinamese Shallow Offshore Bid Round 2020/21 to Chevron (Block 5 – subsequently, farmed into by Shell) and TotalEnergies + Qatar Petroleum (Blocks 6 and 8). Furthermore, the applications for environmental authorisation submitted to the Guyanese EPA by ExxonMobil the operator of the Canje and Kaieteur blocks

CHAIRMAN'S REVIEW *(continued)*

augurs well for potentially extensive new drilling programs on these blocks after the re-evaluation and permitting groundwork is completed.

Westmount's strategy remains one of seeking value creation for shareholders via exposure to high impact drilling outcomes. While our primary focus remains the Guyana-Suriname basin we are open to other opportunities that make sense for our shareholders. Our primary investee companies CEC, JHI and EOG are well funded for participation in near term drilling opportunities and we are excited by our immediate exposure to the additional portfolio diversification offered by EOG's participation in Gazania-1, a 300 MMbbl light oil prospect, in the emerging Orange Basin, South Africa. Furthermore, possible consolidation manoeuvres may bring book value realignment while offering risk diversification and exposure to multiple additional high impact drilling events. In this context, and in spite of the access challenges, your Board remains focused on investment opportunities and deployment of capital that gives additional exposure to drilling of high value prospects. There are likely to be more consolidation opportunities amongst the junior players within the Guyana-Suriname Basin, as exploration matures and in response to risk management demands of investor capital. In the meantime, we look forward to the outcome of the Gazania-1 well in South Africa.

Gerry Walsh

GERARD WALSH
Chairman
31 October 2022

Notes
[1]*TotalEnergies Energy Outlook 2022*
2ExxonMobil 2022 Investor Day Presentation.
[3]*Hess 2nd Quarter 2022 Conference Call Remarks*
[4]*CGX Energy Inc. News Releases 2 March 2022 and 4 March 2022.*
[5]*APA Corporation News Releases 29 July, 29 September and 16 November 2021; 21 February, 21 June and 23 August 2022.*
[6]*Hess 3rd Quarter 2022 Conference Call Remarks*
[7]*Eco (Atlantic) Oil & Gas Ltd. News Releases 14 March, 14 June and 12 August 2022.*

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2022

The Directors present their annual report and the audited financial statements of Westmount Energy Limited (the "Company") for the year ended 30 June 2022.

PRINCIPAL ACTIVITIES
The principal activity of the Company is, and continues to be, an energy investment company. Development of the Company's activities and its prospects are reviewed in the Chairman's Review on pages 3 to 8.

The Company was incorporated in Jersey on 1 October 1992 under the Companies (Jersey) Law 1991, as amended, and is a public company with registered number 53623. The Company is listed on the London Stock Exchange Alternative Investment Market ("AIM"). On 1 December 2020 the Company commenced cross-trading on the OTCQB Market in New York, U.S., under the ticker symbol "WMELF".

DIRECTORS AND DIRECTORS' INTERESTS
The Directors who served during the year and subsequently to the date of this report were as follows:

	Shares held at 30 June 2022	Options held at 30 June 2022
G Walsh (Chairman)	11,933,565	500,000
D R King	-	250,000
T P O'Gorman	4,650,000	250,000
D Corcoran	5,250,000	1,250,000

RESULTS AND DIVIDENDS
The result for the year is set out on page 19 in the Statement of Comprehensive Income. The Directors do not recommend the payment of a dividend in respect of these financial statements (2021: £Nil).

The Directors acknowledge the continued outbreak of Coronavirus ("COVID-19") and its potentially adverse economic impact. The Directors consider that at this stage the Company is not experiencing any major disruption to its business model from COVID-19 nor its effect on the oil and capital markets. The Directors will continue however, to closely monitor the ongoing impact of COVID-19 on the Company's operations.

During the year, Ukraine was invaded by the Russian military. This had an immediate impact on the global economy due to sanctions being imposed on Russia. Oil and gas prices have risen significantly and there have been restrictions on the exportation of goods from both the Ukraine and Russia. In preparing these financial statements, these uncertainties have been considered throughout. At the date of signing these financial statements it remains to be seen what impact this will have on the EU economy and the property markets. The Directors will continue to monitor the situation on a regular basis.

DIRECTORS' BIOGRAPHICAL INFORMATION

Gerard Walsh, Chairman, age 59, a Swiss resident, is a member of the Chartered Institute of Management Accountants and has been involved in financing oil and gas companies for over 20 years. Mr Walsh maintains his knowledge and skills via direct contact with senior industry investors and other operators, and via monitoring of significant market activities within the global energy sector.

David R King, age 64, a Jersey resident, is a Fellow of the Institute of Chartered Accountants in England and Wales and has over 25 years' experience in capital markets and cross border structuring gained from senior positions in a number of offshore jurisdictions, notably the Cayman Islands, Hong Kong, Luxembourg and Jersey. He is an experienced professional Non-Executive Director and is regulated personally by the Jersey Financial Services Commission. He maintains his knowledge and skills via fulfilment of regular continuing professional development obligations and by close monitoring of significant market activities within the sector. Mr King acts as an independent director and oversees the efficient operation of Company Secretarial, Registrar and Administrative operations of the Company.

DIRECTORS' REPORT *(continued)*
FOR THE YEAR ENDED 30 JUNE 2022

Thomas P O'Gorman, age 70, a Northern Ireland resident, is a long term investor in the resource sector and is the former Chairman of Cove Energy Plc (formerly Lapp Platts Plc) who has been involved in financing oil and gas companies for over 40 years. Mr O'Gorman maintains his knowledge and skills via direct contact with senior industry investors and other operators, and via monitoring of significant market activities within the global energy sector.

Dermot Corcoran, age 63, a Republic of Ireland resident, is a petroleum geologist and geophysicist, with more than 30 years' experience working with both major and minor hydrocarbon exploration companies globally. Mr Corcoran has wide experience in technical and commercial aspects of petroleum exploration and production, gained from employment and investment experience in Europe, North Africa, West Africa, Kurdistan, Syria, Pakistan and the USA. Mr Corcoran maintains his knowledge and skills via direct contact with senior industry investors and other operators, attendance and engagement at industry conferences and seminars and via monitoring of significant market activities within the global energy sector.

SECRETARY

The Secretary of the Company is Stonehage Fleming Corporate Services Limited.

AUDITOR

The auditor, Moore Stephens Audit & Assurance (Jersey) Limited, has indicated its willingness to continue in office, and a resolution that it is re-appointed will be proposed at the next annual general meeting.

STATEMENT OF DIRECTORS' RESPONSIBILITIES WITH REGARD TO THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Jersey Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS) and applicable law. Under Company law the Directors must prepare financial statements that give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS as adopted by the European Union; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware and each Director has taken all the steps that he ought to have undertaken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. The Company's website is maintained in compliance with AIM Rule 26 and the applicable OTCQB Market standards.

DIRECTORS' REPORT *(continued)*
FOR THE YEAR ENDED 30 JUNE 2022

Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm that they have complied with all of the above requirements in preparing these financial statements.

On behalf of the Board

D R KING
Director
31 October 2022

CORPORATE GOVERNANCE

The Board have adopted the Quoted Companies Alliance Corporate Governance Code ("the QCA Code") following the London Stock Exchange's requirement for AIM listed companies to adopt and comply with a recognised corporate governance code.

Strategy and Business Model
The strategy of the Company is to invest in and provide follow on capital to small and medium sized companies which have significant growth possibilities operating in the oil and gas sector. Members of the Board have specialist knowledge and experience in the upstream sector of the oil and gas industry (gained from extensive investing activity over a number of decades) allowing them to identify projects and growth companies with potentially higher returns, commensurate with acceptable levels of risk. The Company undertakes extensive due diligence on potential investment opportunities and monitors performance of its investments via close contact with the companies concerned and analysis of their public announcements and presentations. In common with other investment companies in this sector, access as a minority shareholder to projects and valuable investments is challenging but the Board is confident of its ability to continue to source attractive investment opportunities given close relationships with a number of companies and their management teams, and recognition of the Board's experience and strong network.

Shareholder Relations
The Company engages closely with its principal shareholders, a number of whom are Directors of the Company, primarily via face-to-face meetings and publishes announcements of significant activity consistent with market requirements. Shareholders receive annual and half-year financial statements and are invited to the Company's Annual General Meeting. Contact details for the Company are maintained on the website and on Regulatory News Service announcements. The Board seeks to build strong relationships with its institutional shareholders which are managed by the Chairman and supported by other members of the Board.

Gerard Walsh, Chairman, and Dermot Corcoran, Director, are primarily responsible for shareholder liaison, and can be contacted via the Contact Page on the Company's website.

Stakeholder and Social Responsibilities
The Board has identified its key stakeholders as being its shareholders and investee companies, given it has no employees and a small range of contracted service providers. It maintains contact with shareholders, of whom a significant proportion are Directors, via Regulatory News Service and periodic feedback from these parties. Contact with investee companies is operated via the Chairman and individual Board directors responsible for the relevant investment recommendation, and is geared to key operational, project and transactional cycles identified for the company concerned.

Risk Management
The Company actively monitors and manages risk in its activities, principally through oversight and operation of its investment portfolio. The Company identifies key risks in all of its investments during the selection and due diligence cycle, and subsequent recommendations for investment by the Company consider for each proposal a range of risks and mitigating factors. Identification of these risks is achieved by direct engagement with the companies in which Westmount seeks to invest, close analysis of their market opportunities and threats, combined with detailed knowledge of the market sector where they operate and their competitors.

Board Composition, Evaluation and Decision Making
The Board comprises three shareholder Directors (including the Chairman Gerard Walsh) and one Non-Executive Director (David King) resident in Jersey, who is considered to be independent.

The Company deviates from the requirements of the QCA Code in that it has only one independent non-executive director. The Directors consider that the structure of the Board is appropriate and proportionate for the business at this stage of the Company's growth, and that the Independent Director, in conjunction with the Company's Nominated Adviser, provides appropriate challenge to the executive directors on all corporate governance matters. The Board intends to keep all aspects of its corporate governance – independence and the balance of executive and non-executive roles in particular – under review going forward.

CORPORATE GOVERNANCE *(continued)*

Board Composition, Evaluation and Decision Making *(continued)*

Each of the four directors has considerable experience in their respective fields and act collectively in all decision making of the Company. The Board is satisfied that it has a suitable balance between independence on the one hand and knowledge of the Company's activities, to allow it to properly discharge its responsibilities and duties. Directors are expected to use their judgement and experience to challenge and assess the appropriateness of operations and decision making at all times.

The Board has met three times this financial year and Directors each dedicate between 12 and 150 days' time to the Company per annum.

The Board regularly takes advice from its Nominated Advisor, Cenkos Securities plc, and other external advisors (principally its external lawyers) in relation to periodic investment opportunities and fund raising.

The Board completes an annual self-evaluation of its performance based on externally determined guidelines appropriate to the composition of the Board and the Company's operation, including Board Sub Committees. The scope of the self-evaluation exercise will be re-assessed each year to ensure appropriate depth and coverage of the Board's activities consistent with corporate best practice. The Board has adopted a board effectiveness questionnaire, which assesses the composition, processes, behaviours and activities of the board through a range of criteria, including board size and independence, mix of skills and experience, and general corporate governance considerations in line with the QCA code.

Given the stage of the business' maturity, the responsibilities of a nomination committee are delegated to the Board, and there are no formal succession planning processes in place. The Board intends to keep this under review as the business develops.

Corporate Culture

Westmount Energy supports the growing awareness of social, environmental and ethical matters when considering business practices. These statements provide an outline of the policies in place that guide the Company and its employees when dealing with social, environmental and ethical matters in the workplace.

Code of Conduct

Westmount Energy maintains and requires the highest ethical standards in carrying out its business activities in regards to dealing with gifts, hospitality, corruption, fraud, the use of inside information and whistle-blowing.

Westmount Energy maintains a zero-tolerance policy towards bribery and corruption.

Equal Opportunity and Diversity

Westmount Energy promotes and supports the rights and opportunities of all people to seek, obtain and hold employment without discrimination.

It is our policy to make every effort to provide a working environment free from bullying, harassment, intimidation and discrimination on the basis of disability, nationality, race, sex, sexual orientation, religion or belief.

Joint Venture Partners, Contractors and Suppliers

Westmount Energy is committed to being honest and fair in all its dealings with partners, contractors and suppliers.

Procedures are in place to ensure that any form of bribery or improper behaviour is prevented from being conducted on Westmount Energy's behalf by joint venture partners, contractors and suppliers. Westmount Energy also closely guards information entrusted to it by joint venture partners, contractors and suppliers, and seeks to ensure that it is never used improperly.

CORPORATE GOVERNANCE *(continued)*

Operating Responsibility and Continuous Improvement
Westmount Energy adopts an environmental policy which sets standards that meet or exceed industry guidelines and host government regulations. This is reviewed on a regular basis. Wherever we operate we will develop, implement and maintain management systems for sustainable development that will strive for continual improvement.

Westmount Energy is committed to maintaining and regularly reviewing its Health and Safety and Environmental Policies.

Periodic feedback from stakeholders, as described in relation to Stakeholder and Social Responsibilities (above), allows the Board to monitor the culture of the Company, as well as its ethical values and behaviours.

Governance Structures
The Board operates to manage and direct the affairs of the Company via close contact between Board members and through both regular scheduled and ad-hoc Board meetings. The Board aims to meet regularly with a timetable set by the external Company Secretary with formal agendas and papers delivered in advance supporting key matters for consideration or approval. Additionally, contact is maintained between the directors via email and telephone given the geographic separation of the Board.

Mr Walsh as Chairman is responsible for setting the strategy of the Company and maintaining performance of the Board in line with the broad objectives set in that strategy. He is responsible for liaison with key stakeholders, including shareholders and prospective investee companies, and also with advisers and regulatory authorities.

Mr King, as a Jersey resident, maintains close contact with the Company Secretary and other contracted service providers from Jersey. The Board does not operate separate sub-committees (Audit, Remuneration or Nomination) given its small size and close contact for key decisions. The Company does not plan to establish new sub-committees for the foreseeable future.

The Board retains full authority for the Company such that all decisions on behalf of the Company are reserved for the Board.

Communication with Stakeholders
The Company communicates with shareholders through the Annual Report and Audited Financial Statements, annual and half year results announcements, the Annual General Meeting, and periodic meetings with significant institutional shareholders and analysts.

Corporate information (including all Company publications and announcements) is available to all shareholders, prospective investors and the public and is maintained on the Company's website, www.westmountenergy.com.

In the last 12 months there were no votes of shareholders where a significant proportion voted against a resolution.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF WESTMOUNT ENERGY LIMITED

Opinion

We have audited the financial statements of Westmount Energy Limited (the 'Company') as at and for the year ended 30 June 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, Statement of Changes in Equity, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is International Financial Reporting Standards ('IFRSs') as adopted by the European Union and the requirements of the Companies (Jersey) Law 1991.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Jersey, including the Financial Reporting Council's Ethical Standard as applied to listed entities, and we have fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

An overview of the scope of our audit

During our audit planning, we determined materiality and assessed the risks of material misstatement in the financial statements including the consideration of where directors made subjective judgements, for example, in respect of the assumptions that underlie significant accounting estimates and their assessment of future events that are inherently uncertain. We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole taking into account the Company, its accounting processes and controls and the industry in which it operates.

Emphasis of matter

We draw your attention to note 7 and note 14 of the financial statements, which include unlisted investments held by the Company and carried at £6,852,817 (2021: £13,989,918) based on Directors' valuations. These are Level III investments and have been valued based on the recent sales price of the investments and/or using relevant market proxies where available. The Directors have also considered market expectations of future performance of the entity's industry sector, in particular known interest in the area of current exploration, in arriving at their valuations. Our audit opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

- *Valuation of Investments.* The valuation of the Company's investments is a key driver of the Company's investment return and investments represent a material proportion of the Company's financial assets. The relevant accounting policies and investment composition are discussed in note 2 and note 7, respectively, to the financial statements.

The investments represent listed and unlisted equity instruments amounting to £0.41 million and £6.9 million, respectively, as at 30 June 2022. The identified risk predominantly relates to the unquoted investment which valuation carries a greater degree of judgement by the directors and has been valued based upon the price of recent investments, a valuation basis included in the International Private Equity and Venture Capital Guidelines (IPEVC Guidelines).

Our main audit procedures to address the identified risk in respect of the unlisted investment were (a) we discussed with management their unlisted valuation methodology, and assessed the recognition and measurement of the unlisted investment held for compliance with IFRSs, and whether it had been accounted for in accordance with the stated accounting policy and with IPEVC Guidelines; (b) we substantiated the nature and background of recent transactions which had been used as the basis of the valuation. We have not identified any material issues from the completion of the above procedures; and (c) where the price of recent transaction do not coincide to the Company's year-end, we have performed independent research about events or conditions that may indicate the need to recalibrate the price to take into account the impact of such event or condition.

- *Risk of management override of controls.* In accordance with ISAs (UK), we are required to consider the risk of management override of internal controls. Due to the unpredictable nature of this risk, we are required to assess it as a significant risk requiring special audit consideration.

  Our audit work included, but was not restricted to, specific procedures relating to the risk that are required by ISA (UK) 240, *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*, which includes the testing of journal entries, evaluation of judgements and assumptions in management's estimate, and test of significant transactions outside the normal course of business. We have not identified any material issues from the completion of the above procedures.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included understanding the nature of the Company, its business model, system of internal control and related risks including the relevant impact of the COVID-19 pandemic to the business, reviewing the performance of the underlying investments, critically assessing the key assumptions made by management including its appropriateness in the context of the financial reporting framework, and evaluating the directors' plans for future actions in relation to their assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the financial statements. For the purposes of determining whether the financial statements are free from material misstatement we define materiality as the level of misstatement that would probably influence the economic decisions of a reasonably knowledgeable person.

We have used approximately 2% of gross assets rounded down, or £165,000 (2021: £313,000) which reflects the fact that this is an investment fund where its market value is determined predominantly by its gross asset value.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the chairman's review or the directors' report.

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or
- returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the *statement of directors' responsibilities with regard to the financial statements* set out on page 10, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the Company and considered that the most significant but not limited to the Companies (Jersey) Law 1991, AIM Rule 26 and the applicable OTCQB Market standards. We also reviewed the laws and regulations applicable to the Company that has indirect impact to the financial statements.

- We obtained an understanding of how the Company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- We reviewed the compliance reports and minutes of the meeting to see whether there is non-compliance reported to management and those charged with governance.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's shareholders as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Jeff Vincent Jeff Vincent

For and on behalf of Moore Stephens Audit & Assurance (Jersey) Limited
1 Waverley Place
Union Street
St Helier Jersey
Channel Islands JE4 8SG

31 October 2022

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Year ended 30 June 2022 £	Year ended 30 June 2021 £
Net fair value losses on financial assets held at fair value through profit or loss	7	(7,203,727)	(692,288)
Net fair value gains on financial liabilities held at fair value through profit or loss	10	-	103,205
Finance income		133	-
Finance costs	6	-	(33,702)
Administrative expenses	4	(247,627)	(267,397)
Foreign exchange gains/(losses)		23,971	(100,160)
Share options expense	13	-	(25,877)
Operating loss		(7,427,250)	(1,016,219)
Loss before tax		(7,427,250)	(1,016,219)
Tax	3	-	-
Loss after tax		(7,427,250)	(1,016,219)
Other comprehensive income		-	-
Total comprehensive loss for the year		(7,427,250)	(1,016,219)
Basic earnings per share (pence) continuing and total operations	5	(5.16)	(0.72)
Diluted earnings per share (pence) continuing and total operations	5	(5.16)	(0.69)

The Company has no items of other comprehensive income.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Notes	*As at 30 June 2022 £*	*As at 30 June 2021 £*
ASSETS			
Non-current assets			
Financial assets held at fair value through profit or loss	7	7,261,904	14,465,631
		7,261,904	14,465,631
Current assets			
Other receivables and prepayments	8	10,146	4,441
Cash and cash equivalents	9	1,003,090	1,218,922
		1,013,236	1,223,363
Total assets		8,275,140	15,688,994
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	11	52,930	39,534
		52,930	39,534
Total Liabilities		52,930	39,534
EQUITY			
Stated capital	12	16,652,482	16,652,482
Share based payment reserve	13	469,670	469,670
Retained earnings		(8,899,942)	(1,472,692)
Total equity		8,222,210	15,649,460
Total liabilities and equity		8,275,140	15,688,994

These financial statements were approved and authorised for issue by the Board of Directors on 31 October 2022 and were signed on its behalf by:

D R King

Director
31 October 2022

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	*Stated capital*	*Share-based payment reserve*	*Retained earnings*	*Total equity*
		£	*£*	*£*	*£*
As at 1 July 2020		13,955,623	443,793	(456,473)	13,942,943
Comprehensive income					
Total Comprehensive loss for the year ended 30 June 2021		-	-	(1,016,219)	(1,016,219)
Share issue	12	2,696,859	-	-	2,696,859
Transactions with owners					
Share options credit	13	-	25,877	-	25,877
As at 30 June 2021		16,652,482	469,670	(1,472,692)	15,649,460
Comprehensive income					
Total Comprehensive loss for the year ended 30 June 2022		-	-	(7,427,250)	(7,427,250)
As at 30 June 2022		16,652,482	469,670	(8,899,942)	8,222,210

The notes on pages 24 to 36 form an integral part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	*Year ended 30 June 2022* £	*Year ended 30 June 2021* £
Cash flows from operating activities			
Loss for the year		(7,427,250)	(1,016,219)
Adjustments for:			
Net loss on financial assets at fair value through profit or loss		7,203,727	692,288
Net gain on financial liabilities at fair value through profit or loss		-	(103,205)
Interest on borrowings		-	33,702
Share options expense/(credit)	13	-	25,877
Movement in other receivables and prepayments		(5,704)	(4,441)
Movement in trade and other payables		13,395	(6,874)
Proceeds from sale of investments	7	-	356,011
Purchase of investments	7	-	(737,334)
Net cash used in operating activities		(215,832)	(760,194)
Cash flows from financing activities			
Repayment of convertible loan notes	10	-	(456,548)
Net cash used in financing activities		-	(456,548)
Net decrease in cash and cash equivalents		(215,832)	(1,216,742)
Cash and cash equivalents at beginning of year		1,218,922	2,435,664
Cash and cash equivalents at end of year	9	1,003,090	1,218,922

The notes on pages 24 to 36 form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. GENERAL INFORMATION AND STATEMENTS OF COMPLIANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION

Westmount Energy Limited (the "Company") operates solely as an energy investment company. The investment strategy of the Company is to invest in and provide follow on capital to small and medium sized companies that have significant growth possibilities.

The Company was incorporated in Jersey on 1 October 1992 under the Companies (Jersey) Law 1991, as amended, and is a public company with registered number 53623. The Company is listed on the London Stock Exchange Alternative Investment Market ("AIM"). On 1 December 2020 the Company commenced cross-trading on the OTCQB Market in New York, U.S., under the ticker symbol "WMELF".

Basis of Preparation
The financial statements are prepared on a going concern basis in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and applicable legal and regulatory requirements of the Companies (Jersey) Law 1991. The financial statements have been prepared under the historical cost convention as modified by the valuation of financial assets held at fair value through profit or loss.

The Directors are satisfied that the Company has sufficient liquidity to meet its operational expenditure and obligations from the date of approval of the financial statements. The Directors monitor the income and expenditure of the Company and have concluded that, at the time of approving the financial statements of the Company, there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they have adopted the going concern basis of accounting in preparing the annual financial statements.

Ukraine invasion
During the year ended 30 June 2022 Ukraine was invaded by the Russian military. This had an immediate impact on the global economy due to sanctions being imposed on Russia. Oil and gas prices have risen significantly and there have been restrictions on the exportation of goods from both the Ukraine and Russia. In preparing these financial statements, these uncertainties have been considered throughout. At the date of signing these financial statements it remains to be seen what impact this will have on the EU economy and the property markets. The Directors will continue to monitor the situation on a regular basis.

COVID-19
The Directors acknowledge the continued outbreak of Coronavirus ("COVID-19") and its potentially adverse economic impact. The Directors consider that at this stage the Company is not experiencing any major disruption to its business model from COVID-19 nor its effect on the oil and capital markets. The Directors will continue however, to closely monitor the ongoing impact of COVID-19 on the Company's operations.

2. ACCOUNTING POLICIES

The significant accounting policies that have been applied in the preparation of these financial statements are summarised below. These accounting policies have been used throughout all periods presented in the financial statements.

New standards, amendments and interpretations to existing standards that are effective in the current year
There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 July 2021 that have a material effect on the financial statements of the Company.

2. ACCOUNTING POLICIES *(continued)*

New standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company
At the date of authorisation of these financial statements there are no other standards that are not yet effective and that would be expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

Use of estimates and judgements
The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and the exercise of judgement by management while applying the Company's accounting policies in relation to the value of options issued and derivative financial instruments, as set out in notes 10, 13 and 14. Derivative financial instruments, which are embedded in the convertible loan notes issued by the Company, have been presented separately from the host contract. The bifurcation of the embedded derivative financial instruments requires judgement by management to estimate the fair value of the derivatives on initial recognition of the financial instrument.

These estimates are based on the management's best knowledge of the events which existed at the date of issue of the financial statements and at the statement of financial position date however, the actual results may differ from these estimates.

Financial assets at fair value through profit and loss that are not listed have been valued in accordance with IFRS using the International Private Equity and Venture Capital ("IPEVC") Guidelines and information received from the investment entity. The inputs to value these assets require significant estimates and judgements to be made by the Directors. The Directors have considered the sensitivity of the valuations as detailed in note 14.

Functional and presentation currency
The functional currency of the Company is United Kingdom Pounds Sterling ("Sterling"), the currency of the primary economic environment in which the Company operates. The presentation currency of the Company for accounting purposes is also Sterling.

Foreign currency monetary assets and liabilities are translated into Sterling at the rate of exchange ruling on the last day of the Company's financial year. Foreign currency non-monetary items that are measured at fair value in a foreign currency are translated into Sterling using the exchange rates at the date when the fair value was determined. Foreign currency transactions are translated at the exchange rate ruling on the date of the transaction. Gains and losses arising on the currency translation are included in administrative expenses in the Statement of Comprehensive Income in the year in which they arise.

Financial instruments
Financial assets and financial liabilities are recognised when the Company becomes party to the contractual provisions of the instrument.

(a) Classification
The Company classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Company determines the classification of its financial assets and financial liabilities at initial recognition.

Financial liabilities which are not financial liabilities held at fair value through profit or loss are classified as other financial liabilities and held at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. **ACCOUNTING POLICIES** *(continued)*

(b) Recognition and measurement
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of comprehensive income.

Subsequent to initial recognition, financial assets at fair value through profit or loss are re-measured at fair value. For listed investments, fair value is determined by reference to stock exchange quoted market bid prices at the close of business at the end of the reporting year, without deduction for transaction costs necessary to realise the asset. For non-listed investments fair value is determined by using recognised valuation methodologies, in accordance with the IPEVC Guidelines. Gains or losses arising from changes in the fair value of financial assets at fair value through profit or loss are presented in the statement of comprehensive income in the period in which they arise.

Subsequent measurement of the Company's debt instruments depends on the model for managing the asset and the cash flow characteristics of the asset.

The Company measures debt instruments at amortised cost if they are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. The Company recognises any impairment loss on initial recognition and any subsequent movement in the impairment provision in the statement of comprehensive income.

Debt instruments which do not represent solely payments of principal and interest are measured at fair value through profit or loss.

Financial liabilities, which includes borrowings, are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial liabilities at fair value through profit or loss are re-measured at fair value. The fair value of the derivative financial instruments is determined by reference to stock exchange quoted market bid prices at the close of business at the end of the reporting year, without deduction for transaction costs incurred by the Company on realisation of the liability, see note 10. Gains or losses arising from changes in fair value of financial liabilities at fair value through profit or loss are presented in the statement of comprehensive income in the period in which they arise.

(c) Impairment
Under IFRS 9, the impairment model requires the recognition of impairment provisions based on expected credit losses ("ECL") rather than only incurred credit losses as was the case under IAS 39. IFRS 9 permits a simplified approach to trade and other receivables which allows the Company to recognise the loss allowance at initial recognition and throughout its life at an amount equal to lifetime ECL. ECL are a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original effective interest rate. ECL consider the amount and timing of payments, thus a credit loss arises even if the entity expects to be paid in full but later than when contractually due.

The historical default rate has been considered by the Directors and there is no history of bad debt. Under IFRS 9 ECL Model as well, which is forward looking, all factors that could contribute to expected future losses have been considered by the Directors and there is no expectation of credit loss in the future. As such the Directors concluded that there is no material impact on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. **ACCOUNTING POLICIES** *(continued)*

(d) Derecognition
A financial asset or part of a financial asset is derecognised when the rights to receive cash flows from the asset have expired and substantially all risks and rewards of the asset have been transferred.

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held on call with banks and cash with broker. For the purpose of the Statement of Cash Flows, cash and cash equivalents are considered to be all highly liquid investments with maturity of three months or less at inception.

Equity, reserves and dividend payments
Ordinary shares are classified as equity. Transaction costs associated with the issuing of shares are deducted from stated capital. Retained earnings include all current and prior period retained profits. Shares are classified as equity when there is no obligation to transfer cash or other assets.

Expenditure
The expenses of the Company are recognised on an accruals basis in the Statement of Comprehensive Income.

Share options
Equity-settled share-based payment transactions are measured at the fair value of the goods and services received unless that cannot be reliably estimated, in which case they are measured at the fair value of the equity instruments granted. Fair value is measured at the grant date and is estimated using valuation techniques as set out in note 13. The fair value is recognised in the Statement of Comprehensive Income, with a corresponding increase in equity via the share option account in profit or loss. When options are exercised, the relevant amount in the share option account is transferred to stated capital. When options expire, the Company does not subsequently reverse the amounts already recognised for services received from the Directors.

3. **TAXATION**
The Company is subject to income tax at a rate of 0%. The Company is registered as an International Services Entity under the Goods and Services Tax (Jersey) Law 2007 and a fee of £300 has been paid, which has been included in administrative expenses.

4. **ADMINISTRATIVE EXPENSES**

	2022 £	2021 £
Administration and consultancy fees	55,755	57,860
Advisory fees	26,922	41,240
Audit fees	16,636	15,500
Directors' fees	60,000	60,000
Legal and professional fees	20,853	37,194
Printing and stationery	20,720	4,564
Registered agent's fees	22,459	21,974
Other expenses	24,282	29,065
	247,627	267,397

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

5. EARNINGS PER SHARE

	2022	2021
	£	£
Basic earnings per share (pence)	(5.16)	(0.72)
Diluted earnings per share (pence)	(5.16)	(0.69)

Current year loss
The calculation of diluted earnings per share is not required this year as the loss for the year is not diluted. The calculations have been left in for information.

The table below presents information on the profit attributable to the shareholders and the weighted average number of shares used in the calculating the basic and diluted earnings per share.

	2022	2021
Basic earnings per share	£	£
Loss attributable to the shareholders of the Company	(7,427,250)	(1,016,219)
Diluted earnings per share		
(Loss)/profit attributable to the shareholders of the Company:		
Used in calculating basic earnings per share	(7,427,250)	(1,016,219)
Add interest expense	-	33,702
Loss attributable to the shareholders of the Company used in calculating diluted earnings per share	(7,427,250)	(982,517)

	No. of shares	No. of shares
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	144,051,486	140,364,390
Adjustments for calculating of diluted earnings per share:		
Share options	-	1,407,808
Convertible loan notes	-	-
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	144,051,486	141,772,198

Share options
The share options have been included in the determination of the diluted earnings per share to the extent to which they are dilutive.

750,000 share options were granted on 6 August 2020. These were not included in the comparative calculation of diluted earnings per share because they are antidilutive as at 30 June 2022. These potentially dilute earnings per share in the future as they may not be exercised before their expiration date.

6. FINANCE COSTS

The Company previously issued 10% convertible loan notes as set out in note 10. Interest was payable to each of the relevant Noteholders on the principal amount of the Loan Note for the time being outstanding at a rate calculated in accordance with the Instrument. The interest payable at 10% per annum on the Loan Notes held by any Noteholder can be converted into a corresponding number of new fully paid Ordinary Shares at the Noteholder Conversion Price when certain conditions within the Instrument are met.

On 31 March 2021 the remaining principal of £400,000 was repaid in full along with the accrued interest of £56,548.

The interest charge through the Statement of Comprehensive Income during the prior year was £33,702.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2022 £	2021 £
Equity investments		
Argos Resources Ltd ("Argos")	17,400	27,300
Cataleya Energy Corporation ("Cataleya")	4,670,296	4,105,846
Eco Atlantic Oil & Gas Ltd ("Eco Atlantic")	384,750	433,500
JHI Associates Inc ("JHI")	2,182,521	9,884,072
Ratio Petroleum Energy Limited Partnership ("Ratio")	6,937	14,913
Total investments	7,261,904	14,465,631

Net changes in fair value of financial assets designated at fair value through profit or loss

	2022 £	2021 £
Opening cumulative unrealised gain	1,604,358	2,191,024
Net unrealised movement	(7,203,727)	(586,666)
Cumulative unrealised (loss) / gain on financial assets at fair value through profit or loss	(5,599,369)	1,604,358

	2022 £	2021 £
Unrealised loss	(7,203,727)	(586,666)
Realised loss on disposal of financial assets	-	(105,622)
Net changes in fair value of financial assets at fair value through profit or loss	(7,203,727)	(692,288)

On 30 June 2022, the fair value of the Company's holding of 1,000,000 (2021: 1,000,000) ordinary fully paid shares in Argos, representing 0.43% (2021: 0.43%) of the issued share capital of the company, was £17,400 (2021: £27,300) (1.74p per share (2021: 2.73p per share)). No shares were purchased or disposed of in the current nor prior years.

On 30 June 2022, the fair value of the Company's holding of 1,500,000 (2021: 1,500,000) ordinary fully paid shares in Eco Atlantic, representing 0.44% (2021: 0.75%) of the issued share capital of the company, was £384,750 (2021: £433,500) (25.65p per share (2021: 28.90p per share)). No shares were purchased or disposed of in the current year nor prior years.

On 30 June 2022, the fair value of the Company's holding of 89,653 (2021: 89,653) ordinary fully paid shares in Ratio, representing 0.04% (2021: 0.04%) of the issued share capital of the Company, was £6,937 (2021: £14,913) (7.74p per share (2021: 16.63p per share)).

In November 2020 the Company disposed of all 1,200,000 shares in Ratio for a consideration of £338,481 (excluding transaction costs) representing 28.20p per share. In January 2021, the 89,653 Ratio Warrants were exercised and converted into ordinary shares for a consideration of £27,378.

In November 2020 the Company sold 300,000 of the Ratio Warrants for a consideration of £15,282 (excluding transaction costs) (5.10p per warrant). In January 2021, the Company exercised its remaining Ratio Warrants (89,653) in exchange for Ratio ordinary shares for a consideration of £27,378 (30.54p per warrant).

On 30 June 2022, the Directors' estimate of the fair value of the Company's holding of 567,185 (2021: 567,185) shares in Cataleya was £4,670,296 (2021: £4,105,846) (£8.23 per share (2021: £7.24)). No shares were purchased or disposed of during the current nor prior years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

7. **FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS** *(continued)*

On 30 June 2022, the Directors' estimate of the fair value of the Company's holding of 5,651,270 (2021: 5,651,270) shares in JHI was £2,182,521 (2021: £9,884,072) (£0.39 per share (2021: £1.75 per share)). No shares were purchase or disposed of in the current year.

During the prior year the Company purchased 2,087,500 ordinary fully paid shares in JHI for a total consideration of £3,411,939 which included a share issue by the Company of 18,290,000 new nil par value ordinary shares as part consideration for JHI shares received during the prior year (see note 12).

8. **OTHER RECEIVABLES AND PREPAYMENTS**

	2022 £	2021 £
Prepayments	10,146	4,441

9. **CASH AND CASH EQUIVALENTS**

	2022 £	2021 £
Cash at bank	465,501	681,066
Cash at broker	537,589	537,856
	1,003,090	1,218,922

10**.** **DERIVATIVE FINANCIAL INSTRUMENTS AND BORROWINGS**

The Company issued £1,600,000 10% convertible loan notes on 24 October 2018. The notes were convertible into ordinary shares of the Company, at the option of the holder, or repayable on 31 March 2021. The conversion price was the higher of £0.08 per share or a 25% discount on the volume weighted average price ("VWAP") 5 days prior to the repayment date.

Interest accrued up to and payable on 31 October 2019 may be converted into shares, at the option of the Company, at a conversion price of a 10% discount of VWAP 5 days prior to the payment date. Interest accrued up to and payable on 31 October 2020 may be converted into shares, at the option of the holder, at a conversion price of the higher of £0.08 per share or a 25% discount of VWAP 5 days prior to the payment date. On 31 October 2019 both the 1st interest payment due (£67,447) and the early repayment of £260,000 principal of the residual £660,000 of 10% p.a. convertible unsecured loan notes was made.

On 18 March 2019 the Company repaid £940,000 of the principal of the convertible loan notes, the interest accrued on the repaid portion of the convertible loan note was waived by the holder.

On 31 March 2021 the remaining principal of £400,000 was repaid in full along with the accrued interest of £56,548.

	Interest £	Principal £	Total £
Total borrowings at 30 June 2020	30,067	362,651	392,718
Repayment of convertible loan notes	-	(400,000)	(400,000)
Interest expense	33,702	-	33,702
Interest paid	(56,548)	-	(56,548)
Movement in fair value on final conversion	(7,221)	37,349	30,128
Total borrowings at 30 June 2021	-	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

10. **DERIVATIVE FINANCIAL INSTRUMENTS AND BORROWINGS** *(Continued)*

	Interest £	Principal £	Total £
Conversion rights measured at fair value through profit or loss			
Opening balance at 1 July 2020	8,876	124,457	133,333
Initial recognition of conversion rights from issue of convertible loan notes	-	-	-
Repayment of convertible loan notes (cancellation of conversion rights)	-	-	-
Movement in fair value	(8,876)	(124,457)	(133,333)
Total derivative financial instruments at 30 June 2021	**-**	**-**	**-**

The initial fair value of the derivative portion of the convertible loan notes was determined by the potential loss on ordinary shares if converted on the date the convertible loan notes were issued. The derivative financial instruments were recognised as a financial liability measured at fair value through profit or loss. The remainder of the proceeds was allocated to the liability which is subsequently recognised on an amortised cost basis until extinguished on conversion or maturity of the convertible loan notes.

11. **TRADE AND OTHER PAYABLES**

	2022 £	2021 £
Accrued expenses	52,930	39,534

12. **STATED CAPITAL**

Allotted, called up and fully paid:	Ordinary shares No.	Ordinary shares £
1 July 2020	125,761,486	13,955,623
Additions	18,290,000	2,696,859
1 July 2021	144,051,486	16,652,482
Additions	-	-
At 30 June 2022	144,051,486	16,652,482

On 9 September 2020, in accordance with the terms of the JHI share purchase agreements, the Company issued a total of 8,850,000 new nil par value ordinary shares for 750,000 JHI shares. This represented a non-cash transaction. The total valuation of the Company's share issue was £1,304,933.

On 14 September 2020, in accordance with the terms of the JHI share purchase agreements, the Company issued a total of 9,440,000 new nil par value ordinary shares for 800,000 JHI shares. This represented a non-cash transaction. The total valuation of the Company's share issue was £1,391,928.

There were no share issues during the year ended 30 June 2022.

There were no share redemptions during the year ended 30 June 2022 (2021: £Nil).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

13. SHARE-BASED PAYMENT RESERVE

	2022 £	2021 £
At 1 July	469,670	443,793
Share options expense	-	25,877
At 30 June	469,670	469,670

On 6 August 2020 750,000 share options were granted with an exercise price of 17.0 pence per share and an expiration date of 31 July 2023. The options issued on 3 January 2017 were extended on 1 November 2019 with a new expiry date of 31 December 2021.

The following assumptions were used to determine the fair value of the options for 2021:

	2021
Weighted average share price at grant date (pence)	15.00
Exercise price (pence)	17.0
Expected volatility (%)	45.8%
Average option life (years)	7.7
Risk free interest rate (%)	0.550%

The expected volatility is based on the historic volatility of the Company's share prices over the last five years.

The number and weighted average exercise price of share options are as follows:

	2022 Weighted average exercise price (p)	2022 Number of options	2021 Weighted average exercise price (p)	2021 Number of options
Outstanding at start of the year	11.25	4,500,000	10.10	3,750,000
Granted during the year	-	-	17.00	750,000
Expired during the year	-	(2,250,000)	-	-
Exercised during the year	-	-	-	-
Outstanding at end of the year	15.00	2,250,000	11.25	4,500,000
Exercisable at end of the year	15.00	2,250,000	11.25	4,500,000

2,250,000 of the options expired during the year (30 June 2021: nil).

14. FINANCIAL RISK

The Company's investment activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

a) ***Market risk***

i) Foreign exchange risk

The Company's functional and presentation currency is sterling. The Company is exposed to currency risk through its investments in Cataleya, JHI and Ratio, and cash at bank. The Directors have not hedged this exposure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

14. **FINANCIAL RISK *(continued)***

a) ***Market risk*** *(continued)*
i) Foreign exchange risk *(continued)*

Currency exposure as at 30 June:

Currency	Assets and net exposure 2022 £	Assets and net exposure 2021 £
US Dollars	5,003,663	4,897,698
Canadian Dollars	2,047,350	9,271,921
Israeli Shekel	6,937	14,913
Total	7,057,950	14,184,532

If the value of sterling had strengthened by 5% against all of the currencies, with all other variables held constant at the reporting date, the equity attributable to equity holders and the profit for the period would have decreased by £342,988 (2021: £700,242). The weakening of sterling by 5% would have an equal but opposite effect. The calculations are based on the foreign currency denominated financial assets as at year end and are not representative of the period as a whole.

ii) Price risk
Price risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate due to changes in market prices. The Company is exposed to price risk on the investments held by the Company and classified by the Company on the Statement of Financial Position as at fair value through profit or loss. To manage its price risk, management closely monitor the activities of the underlying investments.

The Company's exposure to price risk is as follows:

	Fair value £
Fair Value Through Profit or Loss, as at 30 June 2022	7,261,904
Fair Value Through Profit or Loss, as at 30 June 2021	14,465,631

With the exception of JHI and Cataleya, the Company's investments are all publicly traded and listed on either the AIM, OTCQB or the Tel Aviv Stock Exchange. A 30% increase in market price would decrease the pre-tax loss for the year and increase the net assets attributable to ordinary shareholders by £122,726 (2021: £142,714). A 30% reduction in market price would have increased the pre-tax loss for the year and reduced the net assets attributable to shareholders by an equal but opposite amount. 30% represents management's assessment of a reasonably possible change in the market prices.

A 30% increase in the market price of JHI and Cataleya would decrease the pre-tax loss for the year and increase the net assets attributable to ordinary shareholders by £2,055,845 (2021: £4,196,975). A 30% reduction in market price would have increased the pre-tax loss for the year and reduced the net assets attributable to shareholders by an equal but opposite amount. 30% represents management's assessment of a reasonably possible change in the market price of JHI and Cataleya based on the price of share purchases over the last two years.

iii) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to material interest rate risk.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

14. **FINANCIAL RISK** *(continued)*

b) ***Credit Risk***

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet commitments it has entered into with the Company. The Directors do not believe the Company is subject to any significant credit risk exposure regarding trade receivables.

At the end of the reporting period, the Company's financial assets exposed to credit risk amounted to the following:

	2022	2021
	£	£
Cash and cash equivalents	1,003,090	1,218,922

The Company considers that all the above financial assets are not impaired or past due for each of the reporting dates under review and are of good credit quality.

c) ***Liquidity Risk***

Liquidity risk is the risk that the Company cannot meet its liabilities as they fall due. The Company's primary source of liquidity consists of cash and cash equivalents and those financial assets which are publicly traded and held at fair value through profit or loss and which are deemed highly liquid.

The following table details the contractual, undiscounted cash flows of the Company's financial liabilities

As at 30 June 2022

	Up to 3 months	Up to 1 year	Over 1 year	Total
	£	£	£	£
Financial liabilities				
Trade and other payables	52,930	-	-	52,930
	52,930	-	-	52,930

As at 30 June 2021

	Up to 3 months	Up to 1 year	Over 1 year	Total
	£	£	£	£
Financial liabilities				
Trade and other payables	39,534	-	-	39,534
	39,534	-	-	39,534

Capital Management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide optimum returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital.

In order to maintain or adjust the capital structure, the Company may issue new shares, return capital to shareholders or sell assets. The Company does not have any debt nor is the Company subject to any external capital requirements.

Fair Value Estimation

The Company has classified its financial assets as fair value through profit or loss and fair value is determined via one of the following categories:

Level I – An unadjusted quoted price in an active market provides the most reliable evidence of fair value and is used to measure fair value whenever available. As required by IFRS 7, the Company will

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

14. **FINANCIAL RISK** *(continued)*

Fair Value Estimation *(continued)*
not adjust the quoted price for these investments, (even in situations where it holds a large position and a sale could reasonably impact the quoted price).

Level II – Inputs are other than unadjusted quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Level III – Inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

The following table shows the classification of the Company's financial assets and liabilities:

	Level I	Level II	Level III	Total
	£	£	£	£
At 30 June 2022	409,087	-	6,852,817	7,261,904
At 30 June 2021	475,713	-	13,989,918	14,465,631

The Company has classified quoted investments as Level I, derivative financial instruments as Level II and unquoted investments as Level III. The Level III investment is at an early stage of development and therefore has been valued based on the recent price of the investment. The Directors have considered market expectations of future performance of the entity's industry sector, in particular known interest in the area of current exploration. As such, the Directors consider that the recent price of the investment in Cataleya fairly reflects the value of the investment as at 30 June 2022. Following a recently completed transaction in JHI the Directors have used this price as their basis for determining the Company's fair value investment in JHI. There have been no movements in classifications during the year.

A reconciliation of the movements in Level III investments is shown below:

	2022	2021
	£	£
At start of the year	13,989,918	10,943,867
Purchases	-	3,411,939
Change in fair value	(7,137,101)	(365,888)
At end of the year	6,852,817	13,989,918

15. **DIRECTORS' REMUNERATION AND SHARE OPTIONS**

	2022 Directors' fees	2021 Directors' fees	2022 Options outstanding	2021 Options outstanding
	£	£		
D R King	20,000	20,000	250,000	500,000
D Corcoran	-	-	1,250,000	1,750,000
G Walsh	20,000	20,000	500,000	1,000,000
T O'Gorman	20,000	20,000	250,000	750,000
M Bradlow (resigned 11 April 2017)	-	-	-	500,000
	60,000	60,000	2,250,000	4,500,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

15. **DIRECTORS' REMUNERATION AND SHARE OPTIONS** *(continued)*

At the year end the Company owed £10,000 (2021: £10,000) in outstanding Directors' fees.

During the year consultancy fees of £23,694 (2021: £21,517) were paid to D Corcoran.

On 6 August 2020, 750,000 share options were granted to D Corcoran with an exercise price of 17.0 pence per share and an expiration date of 31 July 2023. No options were granted during the current year. No options were exercised during the current nor prior years.

The shares held by the Directors are declared in the Directors' report.

The Company does not employ any staff except for its Board of Directors. The Company does not contribute to the pensions or any other long-term incentive schemes on behalf of its Directors.

16. **RELATED PARTIES**

On 31 March 2021 the convertible loan notes plus accrued interest were repaid in full in the sum of £456,548 consisting of £400,000 of residual principal and £56,548 of accrued interest. Details of the convertible loan notes are disclosed in note 10. The convertible loan notes were held by Mr Walsh.

Canaccord Genuity as a significant shareholder of the Company is considered a related party under AIM rules. The Company paid £400 in Custody fees to Canaccord Genuity for the year (2021: £391).

The shares held by the Directors are declared in the Directors' report.

17. **CONTROLLING PARTY**

In the opinion of the Directors, the Company does not have a controlling party.

18. **SUBSEQUENT EVENTS**

In the opinion of the Directors, there are no significant events subsequent to the year-end that require adjustment or disclosure in the financial statements.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Westmount Energy Limited will be held at No 2 The Forum, Grenville Street, St Helier, Jersey JE1 4HH, Channel Islands on 8 December 2022 at 11.00 am for the purpose of conducting the following business. In accordance with Article 11.3 of the Articles of Association adopted on 20 February 2012 members wishing to attend the meeting by conference call may contact the Company via their website (www.westmountenergy.com) to arrange dial-in details.

Ordinary business of the Company: -

1. To receive the Company's financial statements for the year ended 30 June 2022 and the Directors' Report and Auditor's Report.

2. To re-appoint Moore Stephens as auditor of the Company.

3. To authorise the directors of the Company to fix the remuneration of the auditor.

4. To transact any other ordinary business which may properly be transacted at an annual general meeting.

By order of the Board
Stonehage Fleming Corporate Services Limited
Secretary

Registered office:
No 2 The Forum
Grenville Street
St Helier
Jersey JE1 4HH
Channel Islands

NOTES

(i) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and, on a poll, to vote in his stead. Such proxy need not be a member of the Company.

(ii) A Form of Proxy is enclosed which, to be effective, must be completed and deposited (together with the power of attorney or other authority, if any, under which it is signed or a copy thereof certified notarially) with Link Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL by not less than 48 hours, excluding non-business days, before the time fixed for holding the meeting. Completion and return of the Form of Proxy does not preclude a shareholder from attending and voting in person at the meeting.

(iii) The Company, pursuant to the Companies (Uncertificated Securities) (Jersey) Order 1999 and its articles of association, specifies that only those shareholders holding nil par value ordinary shares in the Company and entered on the register of members of the Company as at close of business on 6 December 2022 shall be entitled to attend or vote at the aforesaid meeting in respect of the number of such shares registered in their name at that time. Changes to entries on the relevant register of securities after close of business on 6 December 2022 shall be disregarded in determining the rights of any person to attend or vote at the meeting.

For use at the Annual General Meeting convened for 11.00 am on 8 December 2022

I/WE ....BLOCK

CAPITALS
OF...PLEASE
being holder(s) of nil par value ordinary shares in Westmount Energy Limited hereby appoint the Chairman of the Meeting (See Note 1)
....………......
or failing him..…..........
of...……as my/our proxy,
to attend, vote and act for me/us on my/our behalf at the annual general meeting of the Company to be held at 11 am on 8 December 2022, and at any adjourned meeting, and at any poll which may take place in consequence thereof. My/our proxy is to vote as indicated below in respect of the Ordinary Business and the Special Business set out in the Notice of Meeting.

	ORDINARY BUSINESS	**FOR**	**AGAINST**
1.	TO RECEIVE THE COMPANY'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022 AND THE DIRECTORS' REPORT AND AUDITOR'S REPORT.	☐	☐
2.	TO RE-APPOINT MOORE STEPHENS AS AUDITOR OF THE COMPANY.	☐	☐
3.	TO AUTHORISE THE DIRECTORS OF THE COMPANY TO FIX THE AUDITOR'S REMUNERATION.	☐	☐

SIGNED.. DATE...
Signature (See Note 2, 3 and 5)

* Please indicate how you wish your proxy to vote in respect of each item of the Ordinary Business and Special Business by placing an "X" in the boxes desired. Unless otherwise instructed the proxy will vote or abstain as he/she thinks fit. The proxy will act at his/her discretion in relation to any other business arising at the meeting (including any resolution to adjourn the Meeting).

NOTES:

1. If any other proxy be desired, please delete "the Chairman of the Meeting" and insert the name and address (or names and addresses) of person(s) preferred in block capitals in the spaces provided. A proxy need not be a member of the Company. The appointment of a proxy does not preclude any member from attending and voting in person at the Meeting.

2. In the case of a corporation, this proxy must be executed in accordance with the constitution of the corporation.

3. In the case of joint holdings, the signature of one holder will suffice, but the names of all joint holders should be stated.

4. Any alteration or deletion must be signed or initialled.

5. To be effective this proxy (and the Power of Attorney or other authority, if any, under which it is signed, or a notarially certified copy of such Power of Attorney or other authority) must be deposited with Link Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL by not less than 48 hours, excluding non-business days, before the time fixed for holding the meeting.

Business Reply Plus
Licence Number
RUCA-ESGL-RSXY

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PXS 1
Link Group
Unit 10
Central Square
29 Wellington Street
LEEDS
LS1 4DL