

NS Miscellaneous

CEC - COMPLETE REDEMPTION OF LOAN NOTES

WESTMOUNT ENERGY LIMITED

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WESTMOUNT ENERGY LIMITED ("Westmount" or the "Company")

CEC - Complete Redemption of Loan Notes via Cash Repayment and Partial Conversion

Westmount Energy Limited (**UK AIM:** WTE.L, **USA OTCQB:** WMELF), the AIM-quoted oil and gas investing company focussed on high impact drilling outcomes in emerging basins is pleased to report that its investee Cataleya Energy Corporation ("**CEC**") has redeemed in full USD \$43,782,722 in convertible loan notes previously issued to a certain noteholder (the "**Noteholder**"), a large American Private Equity Fund, between April 2020 and January 2023. The loan notes have been redeemed via the repayment of USD \$21,590,000 in cash and the conversion of USD \$22,192,722 into 2,458,705 CEC common shares. The transaction closed on the 15th March 2024 and CEC is now debt free. As a result of this loan note conversion the Noteholder has now become a significant shareholder in CEC, with a shareholding of approximately 21.4% of the enlarged CEC share capital.

On 27th September 2023 it was announced that both ExxonMobil and Hess had elected to withdraw from the Kaieteur Block and return their participating interests to the original Kaieteur Licence holders, Ratio Guyana Limited ("RGL") and Cataleya Energy Limited ("CEL"), a wholly owned subsidiary of CEC. The parties are now awaiting Ministerial approval to reassign the participating interests, so that RGL and CEL will each retain a 50% participating interest, with RGL as the operator of the block.

It was also announced that under the terms of the Kaieteur Petroleum Agreement, and upon submission of an application to enter the second extension period, the participating interests on the block will have until February 2025 to commit to drilling a well. A farm-down process is underway with a view to bringing new entrants, including a deepwater operator, to the block.

Prior to the redemption of these loan notes, Westmount held a total of 474,816 common shares in CEC, representing approximately 5.26% of the issued common shares in CEC. Post redemption of these loan notes, Westmount retains a holding of 474,816 common shares in CEC, representing approximately 4.13% of the enlarged issued share capital of CEC.

The southern portion of the Kaieteur Block is covered by a 5,750km² 3D seismic survey, which was acquired in 2017/18 and has provided the foundation for maturing a significant prospect inventory on the block. A single prospect has been drilled to date which resulted in a sub-commercial oil discovery. The ExxonMobil operated Tanager-1 well, which was drilled in H2 2020, encountered 16 metres of net oil pay (20^oAPI oil) in high-quality sandstone reservoirs of Maastrichtian age with a volumetric 'Best Estimate' Unrisked Gross (2C) Contingent Oil Resource of 65.3 MMBBLs (Low to High Estimates 17.7 MMBBLs to 131 MMBBLs) - Netherland, Sewell & Associates Inc. ("NSAI") published CPR (February 14, 2021).

Gerard Walsh, Executive Chairman of Westmount, commented:

"We are very encouraged to see that the Noteholder has become a significant shareholder in CEC via the conversion of USD \$22,192,722 of the outstanding loan notes into 2,458,705 CEC common shares. We believe that this new investment into CEC reflects confidence that the ongoing farm-down process can bring new partners and a resumption of drilling on the Kaieteur Block, which has been substantially derisked by the Tanager-1 discovery, yet remains underexplored."

For further information, please contact:

Westmount Energy Limited
David King, Director

www.westmountenergy.com
Tel: +44 (0) 1534 823000
email: westmountenergy@stonehagefleming.com

Cavendish Capital Markets Limited (Nomad and Broker)
Neil McDonald/Peter Lynch (Corporate Finance)

Tel: +44 (0) 20 7397 8900

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