

This Newsletter covers the activities of Phase Separation Solutions (PS2), a wholly owned subsidiary of West Mountain Capital

WMT:TSX.V

- Q2-2010 Continues Solid Growth
- Successful Facility Upgrade Program Completed
- Historic Deals Signed In China

Financial Highlights for first half of 2010:

- EBITDA increase of \$1,336,981 from same period 2009
- Earnings per share of \$0.046 versus \$0.011 from same period 2009
- Net income of \$1,710,519

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Q2 2010 Continues Solid Results and Growth

Due to scheduled maintenance and facility upgrades PS2 processed soil for only 2 of the 3 months in this Quarter. During the Quarter PS2 received upwards of 3000 metric tonnes of additional material from several projects including locations in Alberta

and Saskatoon. Tenders have been submitted for, an as yet un-awarded additional 2000 metric tonnes on projects stretching from Vancouver Island to Newfoundland. Received and booked inventory ensure a backlog of material through Q1 2011.



	Three Month Period Ended June 30, 2010	Three Month Period Ended June 30, 2009
Revenue	\$1,058,805	\$1,893,923
Net Income (Loss)	\$374,938	\$639,003
Net Income (Loss) per share	\$0.010	\$0.018
Total Shares Outstanding	37,391,332	34,724,667

	As at June 30, 2010	December 31, 2009
Cash	\$4,783,472	\$3,255,003
Working Capital	\$4,641,404	\$2,505,997
Total Assets	\$8,300,762	\$6,920,842
Total Liabilities	\$891,624	\$1,649,908
Share Capital	\$7,382,059	\$6,935,817

Facility Upgrades Completed and Wolseley Back Online

On June 1st the TPS went offline for a scheduled refit of several major components that had reached the end of their practical life. The replacement and upgrades will result in higher sustained throughput, greater fuel efficiency and an overall reduction in unit cost of treatment.

By August 4th the TPS was back on line and at steady state returning immediately to pre-shut down production rates with no unexpected challenges. The refit did require an

additional 3 weeks of downtime due to issues surrounding late supply of specially engineered components but the time was used to complete additional maintenance and regular

housekeeping activities that would normally be undertaken during treatment operations. The Wolseley Staff did a fantastic job and are to be commended for a successful project.



In support of its expansion into China PS2 has several new staff members:

- Glenn Antle, P.Eng, VP Operations, China
- Yumin Ge, B. Eng, Business Manager, China
- Piejian Hu, Engineer, China Operations

PS2 continues its support for the Community of Wolseley with its sponsorship of the annual Dam Days



This report contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The forward-looking statements and information are based on certain key expectations and assumptions made by West Mountain, including expectations and assumptions concerning the plan to remove and treat such material. Although West Mountain believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward looking statements and information because West Mountain can give no assurance that they will prove to be correct.

PS2 Brings Oily Sludge Recovery Expertise To China

In early August a senior PS2 delegation headed by President and CEO, Paul Antle and newly hired VP Operations, China, Glenn Antle, signed a deal with Zhoushan Nahai Solid Waste Central Disposal to jointly construct, supply and operate an oily waste treatment and recovery facility in Zhoushan in the Zhejiang Province of China. Nahai are the owners and operators of a 2.5 million tonne oil storage facility with capacity for 1 million tonnes per year of oily waste treatment including bilge water management and solid waste incineration.

The joint venture will design, engineer, construct and operate a 50,000 tonne per year oily sludge waste treatment facility with expansion capacity to 100,000 tonnes. The Facility will receive, process and recover oil from oily sludge waste generated from oil storage operations and oil tanker cleaning activities in that region. Nahai currently operates a number of waste oil related

facilities and has direct access to the oily sludge market. This facility will be operational by early 2011.

“We are extremely pleased to be partnered with a company with the stature and reputation of Nahai. A company that represents leadership in the waste management sector in China,” said Paul Antle.

During a follow on visit in September, PS2 and Nahai executed the Joint Venture Agreement proposed in August satisfying a major step in the process of doing business in China.

Paul Antle said, “The Joint Venture Contract is the legal document that outlines, in significant detail, how PS2 and Nahai will operate the business.” The Joint Venture Contract is similar to a shareholder’s agreement that must be registered with the state and local governments for the issuance of a Business License.” “Our relationship with Nahai is developing very fast and both

the engineering and planning for our facility is being completed ahead of schedule” said Antle. “Nahai are responding quickly by providing the resources necessary to expedite the work. We are very pleased with the progress to date.”

A growing problem in China today is the increasing volume of oily sludge waste generated from the extensive network of oil storage locations and the enormous volume of oil being transported throughout the country on a daily basis. PS2/ Nahai is strategically positioned to aggressively prosecute this significant market.



PS2 Brings TPS To China in 2011

During the August trip PS2 signed a deal which puts a TPS unit squarely on the ground in China early in 2011. Our partner, the Nanjing Institute of Environmental Sciences, a branch of the Chinese Ministry of Environmental Protection, is responsible for the delineation and prioritizing of impacted sites across China. NIES has identified numerous across

China ranging in size from 3,000 to 2 million tonnes.

The TPS unit will be a TPS2 system fabricated in China under PS2 direction.

“NIES is highly respected throughout China with a great base of environmental knowledge, research capability and policy influence. We are extremely pleased that a

government agency with the depth of remedial experience that NIES possesses has chosen us as their partner,” says Paul Antle.



For more information about any of these stories or about investment opportunities please contact Mr. Paul Antle, President and CEO. He can be reached by phone at 709 726 0336 or email at pantle@phaseseparation.com.

