

WEST MOUNTAIN CAPITAL CORP.

NEWS RELEASE

FOR IMMEDIATE RELEASE

West Mountain Capital's Subsidiary Executes Agreement in China for Oily Sludge Market

Calgary, Alberta – August 3, 2010 – Phase Separation Solutions Inc. (“PS2”), a Saskatchewan-based clean technology subsidiary of West Mountain Capital Corp. (TSX-V:WMT), is pleased to announce the execution of a Strategic Joint Venture Agreement with Zhoushan Nahai Solid Waste Central Disposal Co. Ltd. (“Nahai”) of Zhoushan, Zhejiang Province, China.

Under the terms of the Strategic Joint Venture Agreement, PS2 and Nahai will become equal equity partners in a Sino-foreign joint venture company to be established in September 2010. The joint venture will design, engineer, construct and operate an oily sludge waste treatment facility to be located in Zhoushan, Zhejiang Province to receive, process and recover oil from oily sludge waste generated from oil storage operations and oil tanker cleaning activities in that region. The Zhoushan region consistently generates approximately 180,000 tonnes per year of oily sludge waste. The PS2/Nahai facility is expected to be operational in early 2011.

The joint venture provides that PS2 and Nahai will:

- establish a facility capable of processing 10,000 tonnes/year of oily sludge in Zhoushan with the capacity to expand to 100,000 tonnes/year;
- explore opportunities of applying the oily sludge treatment technology to other parts of China;
- further define and develop other technologies to complement the oily sludge treatment process;
- provide solutions and consulting services with respect to oil recovery issues; and
- share technical and market information concerning the waste management industry throughout China.

“This is truly a very exciting day for PS2. The Chinese have been interested in acquiring our expertise for over a year given their recent investments in clean technology. We are extremely pleased that a company with the stature and reputation of Nahai as a leader in the waste management sector has chosen us as their partner,” said Paul Antle, president and CEO. “Nahai is highly respected throughout China and have a great base of assets located in Zhoushan, extensive industry knowledge and obvious government support.”

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. “By establishing our oily sludge treatment facility we will bring a much needed clean solution for the oil industry in Zhejiang Province,” said Antle.

About Nahai:

Zhoushan Nahai Solid Waste Central Disposal Co. Ltd. is a private company and a leader in the management of hazardous waste and oily sludge based in Zhoushan, China. The company has excellent infrastructure including an oil storage facility (2,500,000 tonnes), a waste oil recovery facility (capacity of 1,000,000 tonnes per year), bilge water treatment process (20,000 tonnes per day) and a solid waste destruction facility (20 tonnes per day). Nahai possesses the only waste management processing permit in Zhoushan and is strategically located on the coast of the East China Sea with excellent accessibility to the traditional shipping lanes. Zhoushan is an island, port and tourist city newly developed in China and is in the center of the four largest fisheries in the world.

About Phase Separation Solutions:

PS2 is an established Canadian environmental solutions company specializing in the thermal treatment of a variety of hazardous and non-hazardous waste streams. From its operations based in Wolseley, Saskatchewan it employs a unique indirectly heated, closed loop technology that allows it to extract even the most hazardous contaminants from soil, industrial sludge and waste converting much of it into

reusable oil and synthetic natural gas that it uses to sustain the process. This methodology offers significant opportunity for greenhouse gas reduction over traditional hazardous waste destruction technologies. PS2's management team maintains expertise in hazardous waste management and contaminated site remediation with experience spanning North America and internationally throughout 14 countries.

Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly and without limitation, this news release contains forward looking statements in respect of PS2 entering into a definitive joint venture agreement with Nahai in respect of carrying out oily sludge processing activities in China. 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.

Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the negotiation and finalization of the joint venture agreement with Nahai and the commencement of operations in China pursuant to such agreement, failure to realize the anticipated benefits of the operation, failure to obtain required regulatory and other approvals and changes in legislation, including but not limited to environmental regulations. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements and information contained in this news release are made as of the date hereof and West Mountain undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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