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Wolf Petroleum
Mongolian Oil Exploration Company

QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDING 30 SEPTEMBER 2014

Wolf Petroleum Limited
ACN 116 249 060

ASX Code:
WOF, WOFO, WOFOA

ASX RELEASE

23 October 2014

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ISSUED CAPITAL:

233.9 million shares
27 million options (WOFO)
174.5 million options (WOFOA)
14.4 million unlisted options

ASX CODE:

WOF, WOFO, WOFOA

Mongolian oil explorer Wolf Petroleum (ASX:WOF) is pleased to release the quarterly activities report.

Highlights:

SB BLOCK FARM OUT PROCESS

The Company has continued in its efforts to finalise a farm out agreement on its 100% owned SB Block.

FULLY UNDERWRITTEN RIGHTS ISSUE

The Company is raising \$1.5 million before costs through a fully underwritten rights issue to shareholders.

Farm out process

Wolf Petroleum is continuing in its efforts to finalise a farm out agreement on its 100% owned SB Block. The completion of a farm out on the SB Block will have a significant impact on the Company's future development and value creation for shareholders.

SB Block Overview

SB Block is one of the premier oil blocks in Mongolia where ground geological and geophysical programs have identified the largest sub basin Toson Tolgoi with an area covering over 3,500 square kilometres.

The Company acquired 450 kilometres of 2D seismic data on SB block and identified drill ready targets with an estimated **460 million to 2.2 billion barrels of oil resources.**

In addition, geochemical analysis have identified high quality light oil microseeps within seismic shot hole samples.

SB block is currently under discussion with potential strategic partners on farm out deals and is planning to commence drilling programs.

Fully Underwritten Rights Issue

On 17 October 2014 the Company announced it had reached an agreement with CPS Capital Group Pty Ltd to fully underwrite a rights issue to shareholders on a 1 for 8.7 basis at an issue price of \$0.05 per share (approximately 30 million shares) with a free attaching WOFOA option to raise \$1,500,000 before costs.

263.9
million shares
outstanding

The Company is issuing approximately

30,000,000

fully underwritten WOF shares at \$0.05 with free WOFOA option attached.

The proceeds of the offer will be used to meet financial obligations of production sharing contract and focus on farming out SB block.

This offer will allow the Company to continue its negotiations with potential strategic partners and provides shareholders an opportunity to maintain their exposure to the significant upside presented by the Company's petroleum assets in Mongolia.

Funds raised under the rights issue will be used to meet existing financial obligations under production sharing contract with the Government of Mongolia and to focus on closing the farm out process on SB Block.

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ABOUT WOLF PETROLEUM

Wolf Petroleum is an ASX listed company with **the largest petroleum acreage in Mongolia**. Company management is based in Mongolia and is strongly supported by the Mongolian people and industry authorities. The Company has been awarded as **"The Operator of the Year"** in 2013 and 2011 by Petroleum Authority of Mongolia.

HUGE EXPLORATION POTENTIAL

Wolf owns 100% of one production and two exploration blocks proximal to multi billion barrel producing oil fields in Mongolia and China.

AGGRESSIVE EXPLORATION

Ahead of contract commitments on all three contracts. Completed the largest ever ground geophysical programmes in Mongolia covering 74,400 sq. km

EXPERIENCED DIRECTORS

Wolf has a strong local team backed by international consultants and managed by industry experienced directors with a proven track record in Mongolia and globally.

Wolf Petroleum blocks:



✓ **SB block (100%)**
23,000 km²
 Proven and producing region

Estimated 460 million to 2.2 billion barrels of oil.

Drill Ready Targets!
 Farm-in Opportunities!

✓ **BU block (100%)**
10,000 km²
 Proven and producing region

Proximal to multi billion barrel producing fields in Mongolia.

22 Lead targets identified.
 Resources being estimated.

✓ **Jinst block (100%)**
41,000 km²
 Frontier region

The largest petroleum exploration block in Mongolia.

Proximal to multi billion producing oil fields in China.

WOLF PETROLEUM HIGHLIGHTS:

- The leading oil exploration company in Mongolia.
- The largest petroleum acreage holder with over 18 million acres.
- **Drill ready prospects with 460 million to 2.2 billion barrels of oil.**
- Discussing farm out deals with potential strategic partners.
- Near term huge upside potential with drilling programmes planned.

SUMMARY OF BLOCK EXPENDITURE

TOTAL: A\$'000

SB Block: 188

BU Block: -

Jinst Block: -

ASX CODE: WOF

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