

WOLF PETROLEUM LIMITED
ACN 116 249 060

ENTITLEMENT ISSUE PROSPECTUS

For a non-renounceable entitlement issue of two (2) Options for every three (3) Shares held by those Shareholders registered at the Record Date at an issue price of 1.5 cents per Option to raise up to \$2.618 million.

The Offer is fully underwritten by CPS Capital Group Pty Ltd (**Underwriter**). Refer to section 8.4.1 for details regarding the terms of the Underwriting Agreement.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Options offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

Matthew Wood
Executive Chairman

George Lkhagvadorj Tumur
Joint Chairman

Bataa Tumur-Ochir
Chief Executive Officer

Timothy Flavel
Non-Executive Director

Jason Peterson
Non-Executive Director

Brian McMaster
Non-Executive Director

Jargalsaikhan Dambadarjaa
Non-Executive Director

Company Secretary
Aaron Bertolatti

Share Registry*

Computershare Investor Services Pty Limited
Level 5, 115 Grenfell Street
ADELAIDE, SA, 5000

Telephone: 1300 787 272

Registered Office

Level 1
330 Churchill Avenue
SUBIACO WA 6008

Telephone: +61 8 9200 4428
Facsimile: +61 8 9200 4469

Email: info@wolfpetroleum.net
Website: www.wolfpetroleum.net

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Lead Manager and Underwriter

CPS Capital Group Pty Ltd
Level 45, 108 St George's Terrace
PERTH WA 6000

Telephone: +61 8 9223 2222
Facsimile: +61 8 9223 2211

Auditor*

BDO Audit (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

2. TIMETABLE

Lodgement of Prospectus with the ASIC	28 August 2013
Lodgement of Prospectus & Appendix 3B with ASX	28 August 2013
Notice sent to Optionholders	Pre trade 29 August 2013
Notice sent to Shareholders	30 August 2013
Ex date	2 September 2013
Record Date for determining Entitlements	6 September 2013
Prospectus sent out to Shareholders & Company announces this has been completed	10 September 2013
Closing Date*	24 September 2013
Options quoted on a deferred settlement basis	25 September 2013
ASX notified of under subscriptions	27 September 2013
Issue date	2 October 2013
Quotation of Options issued under the Offer*	3 October 2013

* The Directors may extend the Closing Date by giving at least 6 Business Days notice to ASX prior to the Closing Date. As such the date the Options are expected to commence trading on ASX may vary.

3. IMPORTANT NOTES

This Prospectus is dated 28 August 2013 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Options may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Options the subject of this Prospectus should be considered highly speculative.

Applications for Options offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

3.1 Risk factors

Potential investors should be aware that subscribing for Options in the Company involves a number of risks. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Options in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Options pursuant to this Prospectus. Key risk factors are set out below. Please refer to Section 7 of this Prospectus for further risk factors.

- (a) Additional Requirements for Capital;
- (b) Legal risks associated with operating in Mongolia;
- (c) Trading Price of the Company's Shares;
- (d) Foreign Currency Risk;
- (e) Environmental Risks; and
- (f) Uninsured loss and liability.

3.2 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management.

We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 7 of this Prospectus.

4. DETAILS OF THE OFFER

4.1 The Offer

The Offer is being made as a non-renounceable entitlement issue of two (2) Options for every three (3) Shares held by Shareholders registered at the Record Date at an issue price of \$0.015 per Option. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, a maximum of 174,558,384 Options will be issued pursuant to this Offer to raise up to \$2.618 million.

As at the date of this Prospectus the Company has 38,000,000 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to section 5.4 of this Prospectus for information on the exercise price and expiry date of the Options on issue.

All of the Options offered under this Prospectus will be issued on the terms and conditions set out in section 6.1 of this Prospectus.

All of the Shares issued upon the future exercise of the Options offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to section 6.2 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offer and the intended use of funds raised are set out in section 5.1 of this Prospectus.

4.2 Minimum subscription

There is no minimum subscription. As the Offer is fully underwritten, the minimum subscription will be the underwritten amount, being the maximum offered.

4.3 Acceptance

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer as follows:

- (a) if you wish to accept your **full** Entitlement:
 - (i) complete the Entitlement and Acceptance Form; and
 - (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form; or
- (b) if you only wish to accept **part** of your Entitlement:
 - (i) fill in the number of Options you wish to accept in the space provided on the Entitlement and Acceptance Form; and

- (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies (at 1.5 cents per Option); or
- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

4.4 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to Wolf Petroleum Limited – Entitlement Issue Account” and crossed “Not Negotiable”.

Your completed Entitlement and Acceptance Form and cheque must reach the Company’s share registry no later than 5:00 pm WST on the Closing Date.

4.5 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 4:00 pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

4.6 Underwriting

The Offer is fully underwritten by the Underwriter. Refer to section 8.4.1 of this Prospectus for details of the terms of the underwriting. The Underwriter will also act as lead manager to the Offer.

The Underwriter is not a related party of the Company. Mr Peterson, a director of the Company, is a director of the Underwriter and holds an indirect interest in the Underwriter, but is not deemed to control the Underwriter, or hold a controlling interest.

Garrison Equities Pty Ltd (**Garrison Equities**) has agreed to sub-underwrite the Offer up to \$1,309,187.50. Garrison Equities is a related party of the Company by virtue of being controlled (indirectly) by Mr Brian McMaster, Mr Matthew Wood,

and Mr George Tumur, who are directors of the Company. Refer to Section 8.4.3 of this Prospectus for details of the sub-underwriting arrangements.

4.7 Effect on control of the Company

As stated above, the Offer is fully underwritten by the Underwriter. In addition Garrison Equities has agreed with the Underwriter to sub-underwrite a portion of the Offer.

The Underwriter is an unrelated party of the Company. As at the date of this Prospectus, the Underwriter holds 500,000 Shares in the Company. The Underwriter has indicated that it is its present intention to subscribe for all of their Entitlement under the Offer, being 333,333 Options.

The extent to which Shares are issued upon the future exercise of the Options offered to the Underwriter under the Offer, and otherwise as underwritten will increase the Underwriter's voting power in the Company.

The voting power of the Underwriter on completion of the Offer, provided no Options are exercised, will be 0.19%.

The potential maximum increase in the voting power of the Underwriter should no Shareholders take up their Entitlement under the Offer (and assuming such Options are exercised by the Underwriter together with its existing Options), together would be 40.11%. This is on the basis that the Underwriter receives 174,558,384 Underwritten Options (being the maximum amount it can subscribe for as underwriter in addition to the 500,000 Shares already held by the Underwriter).

As noted above, Garrison Equities is a related party of the Company. Although Garrison Equities does not have a direct interest in the Company, as a result of its control by members of the Board, Garrison Equities would be deemed to have a combined relevant interest in 29,319,813 Shares in the Company.

The potential maximum increase in the relevant interest of Garrison Equities should no Shareholders other than Mr Wood, Mr McMaster and Mr Tumur, take up their Entitlement under the Offer and all sub-underwriting Options are issued (and such Options are exercised), together will be 26.78%. This is on the basis that Garrison Equities receives 87,279,166 Options under its Sub-underwriting Commitment (being the maximum amount it can subscribe for as Sub-underwriter), and Mr Wood, Mr Tumur and Mr McMaster take up their full entitlements as set out in section 8.5.

However, it is unlikely that no shareholders, other than the Underwriter and Garrison Equities, will take up entitlements under the Offer. The underwriting obligation and therefore voting power of the Underwriter and Garrison Equities will therefore reduce by a corresponding amount for the amount of entitlements under the Offer taken up by the other shareholders (upon exercise of such Options).

Shareholders should note however that if they do not participate in the Offer, their holdings, upon future exercise of the Options, are likely to be diluted by approximately 60% (following exercise of the Options issued under the Offer, as compared with their holdings and number of Shares on issue as at the date of this Prospectus).

4.8 Lead manager/broker

As noted in section 4.6 above, the Underwriter has also been appointed as lead manager and broker to the Offer. The terms of the appointment of the Underwriter as lead manager and broker are summarised in section 8.4.1 of this Prospectus.

4.9 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer and will be dealt with in accordance with the Lead Manager and Underwriting Agreement. Accordingly, Shareholders should not apply for the Shortfall unless directed to do so by CPS Capital Group Pty Ltd.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open after the Entitlement Issue Closing Date. The issue price for each Option to be issued under the Shortfall Offer shall be \$0.015 being the price at which Options have been offered under the Offer.

4.10 ASX listing

Application for Official Quotation of the Options offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Options offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Options and will repay all application monies for the Options within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Options is not to be taken in any way as an indication of the merits of the Company or the Options now offered for subscription.

4.11 Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Options these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Options will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

The Offer is being made in New Zealand pursuant to the Securities act (Overseas Companies) Exemption Notice 2013.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

4.12 Enquiries

Any questions concerning the Offer should be directed to Aaron Bertolatti, Company Secretary, on + 61 8 9200 4428.

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5. PURPOSE AND EFFECT OF THE OFFER

5.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$2.618 million.

The funds raised from the Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	(\$)	%
1.	Seismic acquisition, processing and interpretation	1,200,000	45.83
2.	Drill target planning	450,000	17.19
3.	Geological and geophysical surveys	150,000	5.73
4.	Geochemical surveys	60,000	2.29
5.	Expenses of the Offer ¹	197,807	7.55
6.	Working capital	560,569	21.41
	Total	2,618,376	100

Notes:

1. Refer to section 8.8 of this Prospectus for further details relating to the estimated expenses of the Offer.

On completion of the Offer, the Board believes our Company will have sufficient working capital to achieve these objectives.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

5.2 Effect of the Offer

The principal effect of the Offer, assuming all Options offered under the Prospectus are issued, will be to:

- (a) increase the cash reserves by \$2,420,569 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer; and
- (b) increase the number of Options on issue from 38,000,000 as at the date of this Prospectus to 212,558,384 Options.

5.3 Pro-forma balance sheet

The unaudited balance sheet as at 30 June 2013 and the unaudited pro-forma balance sheet as at 30 June 2013 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Options offered under the Prospectus are issued.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets

and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	UNAUDITED 30 June 2013 \$	PROFORMA 30 June 2013 \$
CURRENT ASSETS		
Cash	2,938,150	5,358,719
Receivables	330,573	330,573
Other	811,949	811,949
TOTAL CURRENT ASSETS	4,080,672	6,501,241
NON-CURRENT ASSETS		
Investments	975,833	975,833
Plant and equipment	523,546	523,546
Exploration	6,204,602	6,204,602
TOTAL NON-CURRENT ASSETS	7,703,981	7,703,981
TOTAL ASSETS	11,784,653	14,205,222
CURRENT LIABILITIES		
Creditors and borrowings	395,775	395,775
TOTAL CURRENT LIABILITIES	395,775	395,775
TOTAL LIABILITIES	395,775	395,775
NET ASSETS (LIABILITIES)	11,388,878	13,809,447
EQUITY		
Share capital	20,454,517	20,267,714
Options Reserve	345,129	2,963,505
Retained losses	(9,410,768)	(9,410,768)
TOTAL EQUITY	11,388,878	13,820,451

5.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Options offered under the Prospectus are issued, is set out below.

Shares

	Number
Shares currently on issue	261,837,576
Total Shares on issue after completion of the Offer	261,837,576

124,937,500 Shares are escrowed until 21 December 2014.

Options

	Number
Options currently on issue:	
Quoted exercisable at \$0.20 on or before 31/12/2015	27,000,000
Unquoted exercisable at \$0.25 on or before 31/12/2016	10,000,000
Unquoted exercisable at \$0.33 on or before 28/11/2015	1,000,000
New Options offered pursuant to the Offer (Quoted exercisable at \$0.05 on or before 31 July 2018)	174,558,384
Total Options on issue after completion of the Offer	212,558,384

The capital structure on a fully diluted basis as at the date of this Prospectus would be 299,837,576 Shares and on completion of the Offer (assuming all Entitlements are accepted and no Options are exercised prior to the Record Date) would be 474,395,960 Shares.

5.5 Details of substantial holders

Based on publicly available information as at 20 August 2013, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Next Level LLC	43,750,000	16.7%
Nefco Nominees Pty Ltd	25,000,000	9.5%

The Offer will have no immediate effect on the number of Shares held by these substantial shareholders as only Options are being issued.

6. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

The following is a summary of the more significant rights attaching to Options and Shares issued on exercise of the Options. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of securityholders in the Company. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to Shares are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

6.1 Options

(a) Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) Exercise Price

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.05 (**Exercise Price**).

(c) Expiry Date

Each Option will expire at 5.00pm (WST) on 31 July 2018 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) Timing of issue of Shares on exercise

Within 15 Business Days of the Exercise Date, but in any case no later than 20 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in

the Notice of Exercise and for which cleared funds have been received by the Company; and

- (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Quotation**

The Company will apply for quotation of the Options on ASX.

(n) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

6.2 Shares

(a) **General Meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting Rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and
- (iii) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such shares registered in the shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend Rights**

The Directors may from time to time declare a dividend to be paid to shareholders entitled to the dividend. The dividend shall (subject to Clause 22 of the Company's Constitution and to the rights of any preference shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividends) be payable on all shares in accordance with the Corporations Act. The Directors may from time to time pay to the shareholders such interim dividends as they may determine. No dividends shall be payable except out of profits. No dividend shall carry interest as against the Company.

(d) **Winding-Up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the shareholders or different classes of shareholders. The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Transfer of Shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.

(f) **Changes to Capital Structure**

The Company may by ordinary resolution and subject to the Corporations Act and the Listing Rules increase its share capital by the issue of new shares of such amount as is specified in a resolution. For the purpose of giving effect to any consolidation or division of Shares, the Directors may, subject to the CS Facility Rules, settle any difficulty which arises with respect to fractions of Shares in any manner that they think expedient.

(g) **Variation of Rights**

Pursuant to Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

The Shares are quoted on ASX.

7. RISK FACTORS

7.1 Introduction

The Options offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Company specific

(a) Additional Requirements for Capital

The Company will be required to raise additional funds in the event exploration costs exceed the Company's estimates and to effectively implement its business and operations plans in the future, to take advantage of opportunities for acquisitions, joint ventures or other business opportunities, and to meet any unanticipated liabilities or expenses which the Company may incur.

The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration or development on the Company's Projects, or even loss of a property interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

Loan agreements and other financing rearrangements such as debt facilities, convertible note issues and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Company or default under a finance lease could also result in the loss of assets.

(b) Legal risks associated with operating in Mongolia

Mongolian operations are subject to the jurisdiction of Mongolia's courts, except where parties to a contract have chosen an arbitration (local and international such as Hong Kong, Singapore or London Arbitration). The legal system operating in Mongolia is developing which may result in risks such as:

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- (i) political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation, or in an ownership dispute;
 - (ii) a high degree of discretion on the part of governmental agencies;
 - (iii) a lack of political or administrative guidance on implementing applicable rules and regulations including, in particular, as regards local taxation and property rights; or
 - (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions.

The commitment to local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licenses and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that the Blocks and other legal arrangements will not be adversely affected by the actions of the government authorities or others and the effective enforcement of such arrangements cannot be assured.

In the case where there is a dispute about the actions of the State in Mongolia with regard to the Blocks, it is unlikely that a claim could be raised in Australian courts for reasons of comity or the doctrine of sovereign immunity.

The introduction of new legislation or amendments to existing legislation by governments, developments in existing law, or the respective interpretation of the legal requirements in any of the legal jurisdictions which govern operations or contractual obligations in Mongolia, could impact adversely on the assets, operations and, ultimately, the financial performance of the Company and its shares. In addition there is a commercial risk that legal action may be taken against the Company in relation to commercial matters.

(c) **Trading Price of the Company's Shares**

The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Company's Shares. In addition, the price of the Company's Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to general economic conditions including the Australian dollar and United States dollar performance on world markets, inflation rates, foreign exchange rates and interest rates, variations in the general market for listed stocks in general or Australian mining stocks in particular, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Company's Shares.

In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No

assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.

(d) **Foreign Currency Risk**

Foreign currency exchange risk involves exchange rate movements amongst currencies that may adversely impact the value of foreign currency-denominated assets, liabilities and off-balance sheet arrangements.

Unfavourable movements in the Mongolian Tughrig may have an adverse effect on the Company's operations and the market price of its Shares. The Company does not hedge against these risks.

(e) **Environmental Risks**

The operations and proposed activities of the Company are subject to Mongolian laws and regulations concerning the environment. As with most exploration projects and production operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. However, this does not necessarily mean that all of the Company's proposed activities will be approved by the Mongolian environmental authorities.

(f) **Uninsured loss and liability**

Exploration for and development of oil and gas involves hazards and risks that could result in the Company incurring losses and liabilities to third parties. There is a risk that the Company may not be insured against all losses or liabilities that could arise from its operations. If the Company incurs losses or liabilities which are not covered by its insurance policies, the funds available for exploration and development will be reduced and the value and/or tenure of the Company's assets may be at risk.

7.3 Industry specific

(a) **Exploration Risks**

By its nature, the business of oil and gas exploration contains elements of significant risk with no guarantee of success. Ultimate and continuous exploration success is dependent on many factors such as:

- (i) access to adequate capital;
- (ii) the design and construction of efficient exploration programs and expenditure budgets;
- (iii) securing and maintaining title to interests;
- (iv) obtaining consents and approvals necessary for the conduct of oil and gas exploration; and
- (v) access to competent exploration and operational management and prudent financial administration, including

the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Industry exploration risks include fire, explosions, unanticipated reservoir problems which may affect field production performance, industrial disputes, unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, mechanical failure or breakdown, blow outs, pipe failures and environmental hazards such as accidental spills or leakage of liquids, gas leaks, ruptures, discharges of toxic gases or geological uncertainty (such as lack of sufficient sub-surface data from correlative well logs and/or formation core analyses). The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage to or destruction of property, natural resources or equipment, pollution or other environmental damage, cleanup responsibilities, regulatory investigation, and penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against the Company.

Drilling activities carry risk as such activities may be curtailed, delayed or cancelled as a result of weather conditions, mechanical difficulties, shortages or delays in the delivery of drill rigs or other equipment. In addition, drilling and operations include reservoir risk such as the presence of shale laminations in the otherwise homogeneous sandstone porosity.

There is no assurance that any exploration on current or future interests will result in the discovery of an economic deposit of oil or gas. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically developed.

(b) **Oil and gas price fluctuations**

The demand for, and price of, oil and natural gas is highly dependent on a variety of factors, including international supply and demand, the level of consumer product demand, weather conditions, the price and availability of alternative fuels, actions taken by governments and international cartels, and global economic and political developments.

International oil and gas prices have fluctuated widely in recent years and may continue to fluctuate significantly in the future. Fluctuations in oil and gas prices and, in particular, a material decline in the price of oil or gas may have a material adverse effect on the Company's business, financial condition and results of operations.

(c) **Title Risk**

The Company cannot give any assurance that title to the Company or the Company's projects will not be challenged or impugned for various reasons, including that they may be subject to prior unregistered agreements or transfers or title may be affected by undetected defects.

7.4 General risks

(a) **Economic**

General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency

exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Reliance on Key Management**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(d) **Competition Risk**

The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

(e) **Force Majeure**

The Company and its respective projects, now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(f) **Litigation Risks**

The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and

safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

7.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Options offered under this Prospectus

Therefore, the Options to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Options.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

8. ADDITIONAL INFORMATION

8.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

8.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

- (i) the annual financial report most recently lodged by the Company with the ASIC;
- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
27/08/2013	Change of Director's Interest Notice
19/08/2013	2D Seismic Acquisition Update on SB Block
12/08/2013	Change of Registered Office and Principal Place of Business
12/08/2013	Underwritten Non-Renounceable Entitlement Issue of Options
08/08/2013	Trading Halt Request
08/08/2013	Trading Halt
30/07/2013	Quarterly Activities Report
30/07/2013	Quarterly Cashflow Report
22/07/2013	Commencement of 2D Seismic Acquisition on SB Block
02/07/2013	Encouraging Results for Wolf Petroleum's Sukhbaatar Block
26/06/2013	Wolf Appoints Mongolian Exploration Manager
12/06/2013	Change of Director's Interest Notice x 4
03/06/2013	Sukhbaatar Block Project Update
29/04/2013	Quarterly Activities Report
29/04/2013	Quarterly Cashflow Report
18/04/2013	Appendix 3B
28/03/2013	Investor Presentation - March 2013
14/03/2013	Disclosure Document
13/03/2013	Half Year Accounts
05/03/2013	Change of Director's Interest Notice
08/02/2013	Commencement of Geophysical Programmes on Sukhbaatar Block
24/01/2013	Quarterly Activities Report

Date	Description of Announcement
24/01/2013	Quarterly Cashflow Report
22/01/2013	Investor Presentation January 2013
10/01/2013	CEO Appointment - Key Terms of Contract
09/01/2013	Production Sharing Contract Awarded
07/01/2013	Initial Director's Interest Notice x4
04/01/2013	Change of Director's Interest Notice
03/01/2013	Board Changes
02/01/2013	Change of Director's Interest Notice
27/12/2012	Change of Director's Interest Notice
21/12/2012	Becoming a substantial holder
21/12/2012	Change of Director's Interest Notice x 3
19/12/2012	Documents Incorporated by Reference in Prospectus
19/12/2012	31 December 2011 Annual Report
19/12/2012	Due Diligence Report
19/12/2012	Securities Trading Policy
19/12/2012	Updated Use of Funds
19/12/2012	Updated Statement of Financial Position
19/12/2012	Restricted Securities
19/12/2012	Terms and Conditions of Options
19/12/2012	Confirmations
19/12/2012	Top 20 Lists
19/12/2012	Options Distribution Schedule
19/12/2012	Shares Distribution Schedule
19/12/2012	Constitution
19/12/2012	Appendix 1A
19/12/2012	Pre-Reinstatement Disclosure
19/12/2012	ASX Circular - Reinstatement
19/12/2012	Reinstatement to Official Quotation - 21/12/12
18/12/2012	Appendix 3B
30/11/2012	Response to ASX Query - Appendix 3X and Appendix 3Z
29/11/2012	ASX Waivers Granted
21/11/2012	Final Director's Interest Notice x 2
21/11/2012	Initial Director's Interest Notice
12/11/2012	Disclosure Document
12/11/2012	Change of Company Name and ASX Code
07/11/2012	Board Changes
07/11/2012	Consolidation of Capital Completed

Date	Description of Announcement
29/10/2012	Off-market Takeover Offer for Wolf Petroleum now Closed
29/10/2012	Quarterly Activities Report
29/10/2012	Quarterly Cashflow Report
22/10/2012	STZ Takeover For Wolf Petroleum Limited - Unconditional
22/10/2012	Results of Annual General Meeting
22/10/2012	Suspension from Official Quotation
16/10/2012	STZ's relevant interest in Wolf Petroleum increases to 91.1%
12/10/2012	Disposal of Urex Ltd & Sale of West Musgrave JV Tenements
03/10/2012	Relevant Interest in Wolf Petroleum
02/10/2012	Relevant Interest in Wolf Petroleum
28/09/2012	Relevant Interest in Wolf Petroleum
21/09/2012	Notice of Annual General Meeting
21/09/2012	Target's Statement issued by Wolf Petroleum Limited
13/09/2012	STZ's Bidder's Statement - Share Offer Wolf Petroleum
03/09/2012	2012 Annual Report

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.wolfpetroleum.net.

8.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest	6.5 cents	4 June 2013
Lowest	4.4 cents	16, 26 and 27 August 2013
Last	4.4 cents	27 August 2013

8.4 Material contracts

The following are summaries of the significant terms of the material agreements which relate to the business of the Company.

8.4.1 CPS Capital Group Pty Ltd Mandate Letter

The Company has appointed CPS Capital Group Pty Ltd to act as lead manager and broker in relation to the Offer (**Mandate Letter**) who will co-ordinate and manage the Offer, underwrite the Offer for 174,558,384 Options (**Underwritten Securities**) and seek to introduce potential sub underwriters.

Pursuant to the Mandate Letter, the Company has agreed to pay the Underwriter an underwriting fee of 6% of the value of the Underwritten Securities.

8.4.2 Underwriting Agreement

By an agreement between the Underwriter and the Company (**Underwriting Agreement**), the Underwriter agrees to conditionally underwrite the Offer for 174,558,384 Options (**Underwritten Securities**).

Pursuant to the Underwriting Agreement, the Company has agreed to pay the Underwriter an underwriting fee of 5% of the amount raised pursuant to the Offer.

The obligation of the Underwriter to underwrite the Offer is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement immediately by notice in writing to that effect if, among other events:

- (a) the Company becomes insolvent, has a receiver, administrative receiver or manager or administrator appointed over the whole or any of its assets, enters into any composition with creditors generally or has an order made or resolution passed for its to be wound up; or
- (b) a court makes an administration order with respect to the Company or any composition in satisfaction of its debts of or a scheme of arrangement of the affairs of the Company.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

Jason Peterson, a director of the Company, is a shareholder and director of the Underwriter. Refer to Section 4.6 of this Prospectus for further details.

8.4.3 Sub-Underwriting Agreement

The Underwriter has entered into a sub-underwriting agreement with Garrison Equities Pty Ltd (**Sub-underwriter**), whereby the Sub-underwriter will sub-underwrite the Underwriter's underwriting commitment pursuant to the Underwriting Agreement up to a sub-underwriting commitment of 87,279,166 Options (**Sub-underwriting Commitment**). The value of the Sub-underwriting Commitment is \$1,309,187 in aggregate. The Sub-underwriter will be paid a Sub-underwriting fee of 5% of its Sub-underwriting Commitment to the Underwriter. The value of the sub-underwriting fee payable to the Sub-Underwriter is \$65,459 in aggregate.

Garrison Equities is a related party of the Company by virtue of being controlled (indirectly) by Mr Brian McMaster, Mr Matthew Wood and Mr George Tumur, who are directors of the Company.

8.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;

- (b) any property acquired or proposed to be acquired by the Company in connection with:
- (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,
- and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:
- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
- (i) the formation or promotion of the Company; or
 - (ii) the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below.

Director	Shares	Options	Entitlement	\$
Matthew Wood ¹	13,404,310	1,292,500	8,936,207	134,043
George Lkhagvadorj Tumor ²	12,734,753	775,500	8,489,835	127,348
Bataa Tumor-Ochir ³	50,250,000	Nil	33,500,000	502,500
Timothy Flavel ⁴	11,042,500	1,292,500	7,371,113	110,567
Jason Peterson ⁵	11,985,000	Nil	7,990,000	119,850
Brian McMaster ⁶	3,180,750	1,292,500	2,120,500	31,808
Jargalsaikhan Dambadarjaa	Nil	Nil	Nil	Nil

Notes

- ¹ Mr Wood has an indirect interest in 12,076,466 Shares through Mitchell Grass Holdings Singapore Pte Ltd of which he is a director and shareholder and 180,750 Shares through Hudson Bay Investments Pty Ltd <Hudson Bay Investments a/c> of which he is a director and beneficiary. Mr Wood has an indirect interest in 42,500 listed Options (exercisable at \$0.20 on or before 31/12/2015) and 1,250,000 unlisted Options (exercisable at \$0.25 on or before 31/12/2016) through his interest in Hudson Bay Investments Pty Ltd <Hudson Bay Investments a/c>.
- ² Mr Tumor has an indirect interest in 12,500,000 Shares through Brave Warrior Holdings Ltd of which he is a director and shareholder and an indirect interest of 84,750 through Hudson Bay Investments Pty Ltd <Hudson Bay Investments a/c> of which he is a beneficiary. Mr Tumor has an indirect interest in 25,500 listed Options (exercisable at \$0.20 on or before 31/12/2015) and 750,000 unlisted Options (exercisable at \$0.25 on or before 31/12/2016) through his interest in Hudson Bay Investments Pty Ltd <Hudson Bay Investments a/c>.
- ³ Mr Tumor-Ochir is a director and shareholder of Next Level LLC which holds 43,750,000 Shares.

- 4 Mr Flavel has an indirect interest in 42,500 Shares through Hudson Bay Investments Pty Ltd <Hudson Bay Investment a/c> of which he is a beneficiary, an indirect interest in 500,000 Shares through Warrior Consulting Pty Ltd of which he is a director and shareholder and an indirect interest of 500,000 Shares through Flavel Superannuation Fund of which he is a beneficiary. Mr Flavel has an indirect interest in 42,500 listed Options (exercisable at \$0.20 on or before 31/12/2015) and 1,250,000 unlisted Options (exercisable at \$0.25 on or before 31/12/2016) through his interest in Hudson Bay Investments Pty Ltd <Hudson Bay Investment a/c>.
- 5 Mr Peterson has an indirect interest in 1,800,000 Shares through his interest in Celtic Capital Pty Ltd of which he is a director and beneficiary.
- 6 Mr McMaster has an indirect interest in 3,000,000 Shares through Reeve Ventures Pty Ltd of which he is a director and beneficiary and 180,750 Shares through his interest in Hudson Bay Investments Pty Ltd of which he is a director and beneficiary. Mr McMaster has an indirect interest in 42,500 listed Options (exercisable at \$0.20 on or before 31/12/2015) and 1,250,000 unlisted Options (exercisable at \$0.25 on or before 31/12/2016) through his interest in Hudson Bay Investments Pty Ltd <Hudson Bay Investments a/c>.

The Board recommends all Shareholders take up their Entitlement and advises that all Directors intend to take up their respective Entitlements in full.

Remuneration

The Constitution of the Company provide that the non-executive Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, where notice of the amount of the suggested increase and the maximum sum that may be paid shall have been given to shareholders in the notice convening the meeting.

The remuneration of any executive Directors will be fixed by the Directors and may be paid by way of fixed salary or commission.

In the last two years, \$225,000 (\$20,000 in 2011 and \$205,000 in 2012) has been paid by the Company by way of remuneration for services provided by the Directors, companies associated with the Directors or their associates in their capacity as directors, consultants or advisers. Directors, companies associated with the Directors or their associates are also reimbursed for all reasonable expenses incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

The table below sets out the remuneration provided to the Directors of the Company and their associated companies during the last financial year prior to the date of this Prospectus and their current remuneration at the date of this Prospectus, inclusive of directors fees and consultancy fees.

Director	2013	2014
Matthew Wood	\$200,000	\$20,000
George Lkhagvadorj Tumur	\$30,000	\$5,000
Bataa Tumur-Ochir	\$75,120	\$13,735
Timothy Flavel	\$65,000	\$5,000
Jason Peterson	\$15,000	\$2,500
Brian McMaster	\$90,000	\$5,000
Jargalsaikhan Dambadarjaa	-	-

8.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or
- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

CPS Capital Group Pty Ltd will be paid an underwriting fee of approximately \$157,103 in respect of this Offer. During the 24 months preceding lodgement of this Prospectus with the ASIC, CPS Capital Group Pty Ltd has been paid fees totalling \$131,604 by the Company.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$7,500 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$225,487 (excluding GST and disbursements) for legal services provided to the Company.

8.7 Consents

Each of the parties referred to in this section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section;
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of

that party as specified in this section;

- (c) CPS Capital Group Pty Ltd has given its written consent to being named as underwriter and lead manager and broker to the Offer in this Prospectus, in the form and context in which it is named;
- (d) CPS Capital Group Pty Ltd (including its related entities) is a Shareholder of the Company and currently has a relevant interest in 500,000 Shares. CPS Capital Group Pty Ltd has indicated that it is its current intention to subscribe for its full Entitlement under the Offer in respect of all of the Shares in which it has a relevant interest; and
- (e) Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

8.8 Expenses of the offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$197,807 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	2,225
ASX fees	19,776
Underwriting fees	157,103
Legal fees	7,500
Printing and distribution	11,203
Total	197,807

8.9 Electronic prospectus

Pursuant to Class Order 00/44, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on +61 8 9200 4428 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.wolfpetroleum.net.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

8.10 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain.

Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

8.11 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Options allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

8.12 Privacy Act

If you complete an application for Options, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Options, the Company may not be able to accept or process your application.

9. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Matthew Wood
Chairman
For and on behalf of
WOLF PETROLEUM LIMITED

10. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Applicant means a Shareholder who applies for Options pursuant to the Offer or a Shareholder or other party who applies for Shortfall Options pursuant to the Shortfall Offer.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHES.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means Wolf Petroleum Limited (ACN 116 249 060).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Offer means the non-renounceable entitlement issue the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share on the terms and conditions set out in Schedule 0 of this Prospectus.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall means the Options not applied for under the Offer (if any).

Shortfall Application Form means the shortfall application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in section 4.9 of this Prospectus.

Shortfall Options means those Options issued pursuant to the Shortfall.

WST means Western Standard Time as observed in Perth, Western Australia.