ASX RELEASE
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Issued Capital:
261.8 million shares
27 million options (WOFO)
174 million options (WOFOA)
11.2 million unlisted options

ASX Code:
WOF, WOFO, WOFOA

# SUBSTANTIAL INITIAL OIL RESOURCE ESTIMATE

Wolf Petroleum is extremely pleased to announce that an independent resource assessment has been completed and has identified a substantial prospective oil resource on the Companies 100% owned SB block.

## Highlights:

- **This work has identified and prioritised a total of five drilling leads on the UU and TV Sub Basins, which are part of larger Toson Tolgoi Basin. Wolf controls 100% of the Toson Tolgoi Basin.**

- **Prospective resource assessment on five leads have been independently estimated by MHA Petroleum Consultants LLC of the USA and confirmed the substantial oil potential on Wolf's 100% owned SB block.**

- **High Estimate – 1.624 Billion barrels of oil.**
- **Best Estimate - 760.5 Million barrels of oil.**
- **Low Estimate - 290.6 Million barrels of oil.**

- **Estimates are for primary recovery from identified leads only and potential stratigraphic and additional leads are not included in this calculation.**

- **The Company is now working on the completion of the Talbulag Basin interpretation and initial resource estimates are expected in the coming months.**

Prospective Resource Assessment (PRA) was estimated following PRMS (Petroleum Resource Management System) Guidelines.

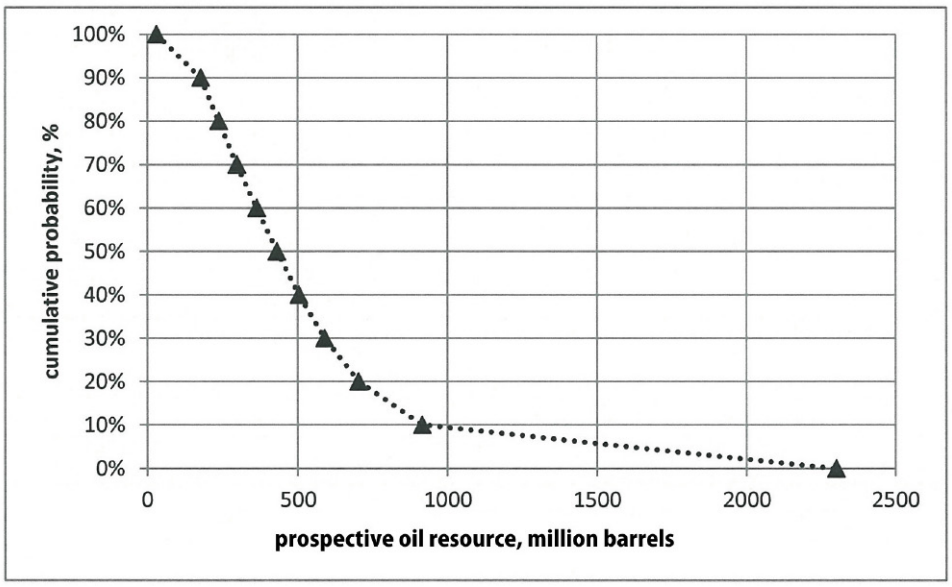
Volumetric calculation of prospective resources requires area, net thickness, porosity, water saturation, oil formation volume factor, hydrocarbon fill factor and recovery factor. Areal extent of the three formations (Upper and Lower Zuunbayan and Tsagaantsav) was calculated from seismic structure.

Net thickness, porosity, water saturation values from public domain data or assumed.

## Prospective oil distribution on the three UU Sub Basin leads

correlation coefficient = 0.7

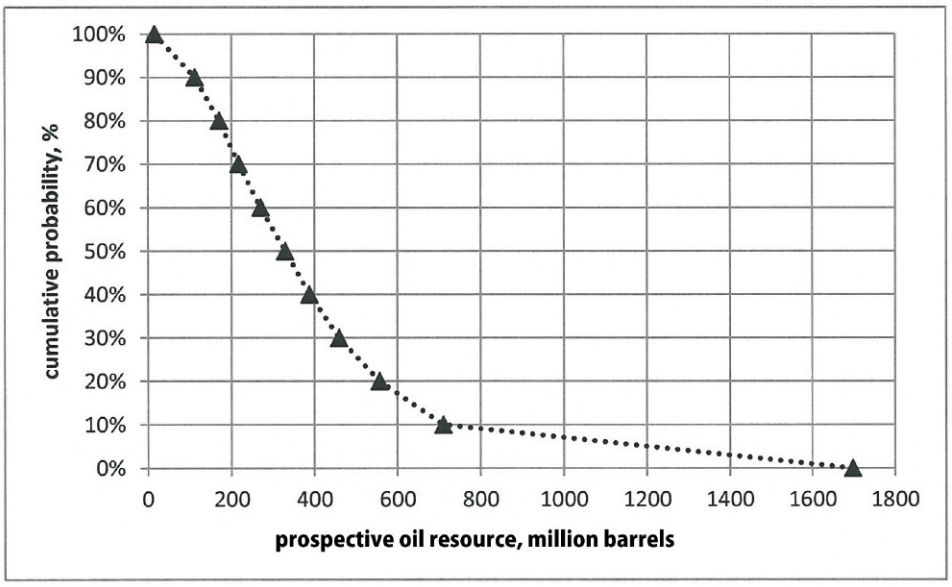
| | % | million barrels |
|---|---|---|
| LOW estimate | 100% | 30.5 |
| | 90% | **178.5** |
| | 80% | 238.3 |
| | 70% | 298.5 |
| BEST estimate | 60% | 363.9 |
| | 50% | **431.3** |
| | 40% | 503.9 |
| | 30% | 589.6 |
| HIGH estimate | 20% | 702.7 |
| | 10% | **914.6** |
| | 0% | 2301 |




## Prospective oil distribution on the two TV Sub Basin leads

correlation coefficient = 0.7

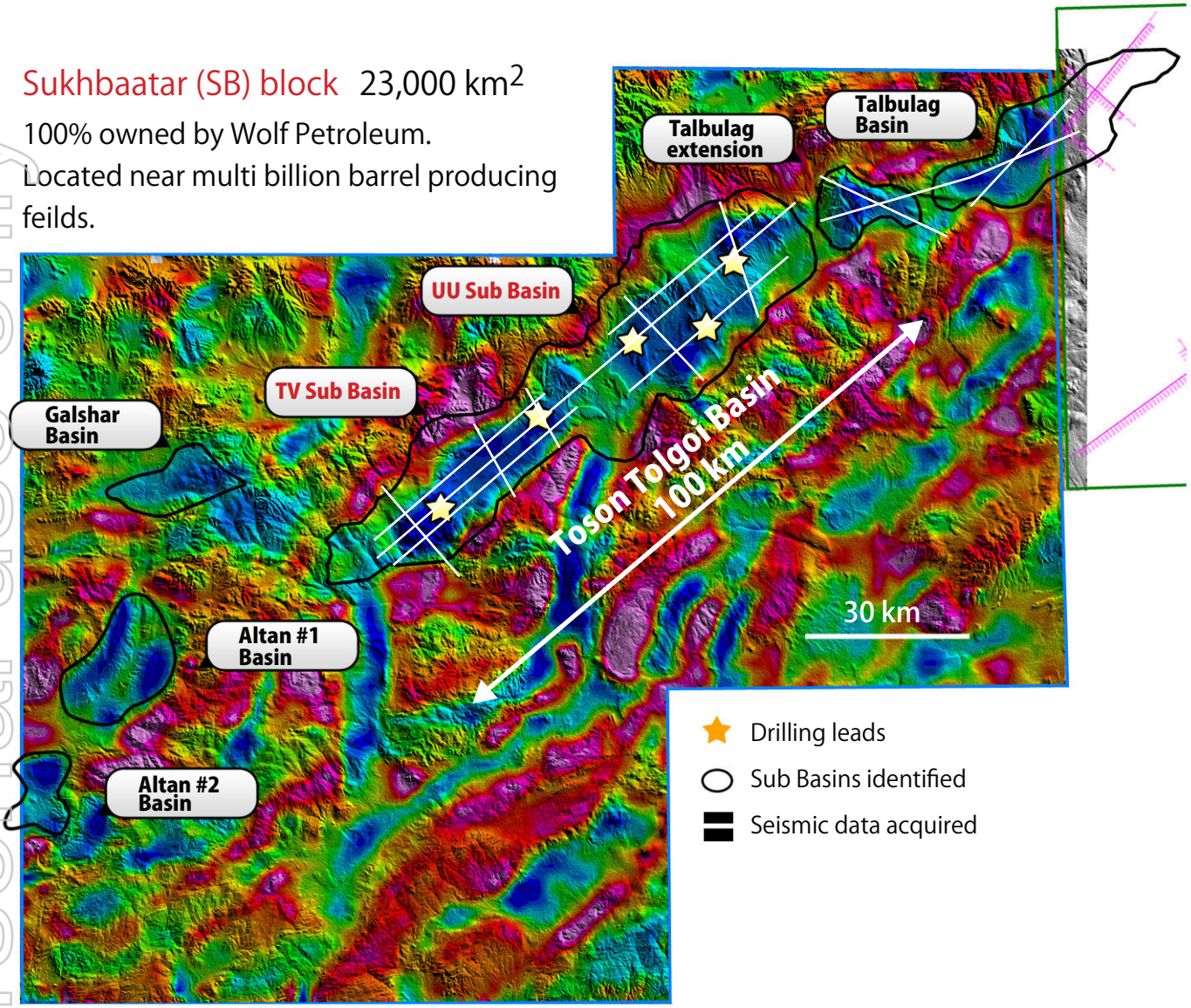
| | % | million barrels |
|---|---|---|
| LOW estimate | 100% | 15.7 |
| | 90% | **112.1** |
| | 80% | 170.3 |
| | 70% | 217.2 |
| BEST estimate | 60% | 269.9 |
| | 50% | **329.2** |
| | 40% | 387.8 |
| | 30% | 459.1 |
| HIGH estimate | 20% | 557.2 |
| | 10% | **710.3** |
| | 0% | 1697.9 |



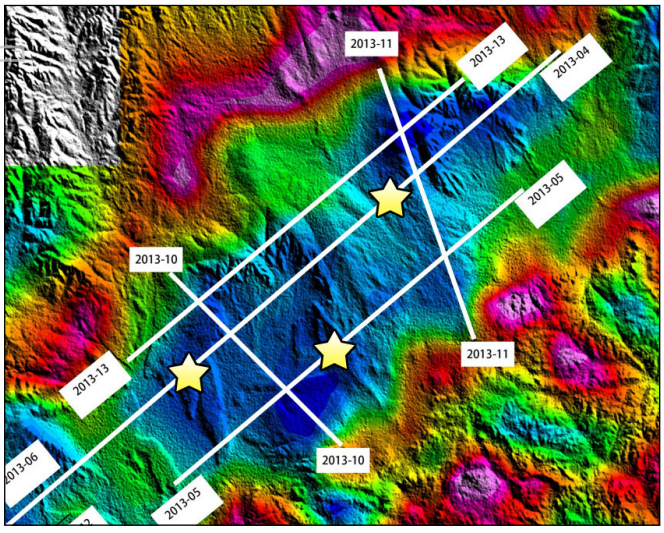

**PROSPECTIVE RESOURCES** are those quantities of petroleum estimated, as of a given date, potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of discovery and a chance of development. Prospective Resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity.

## Sukhbaatar (SB) block 23,000 km$^2$

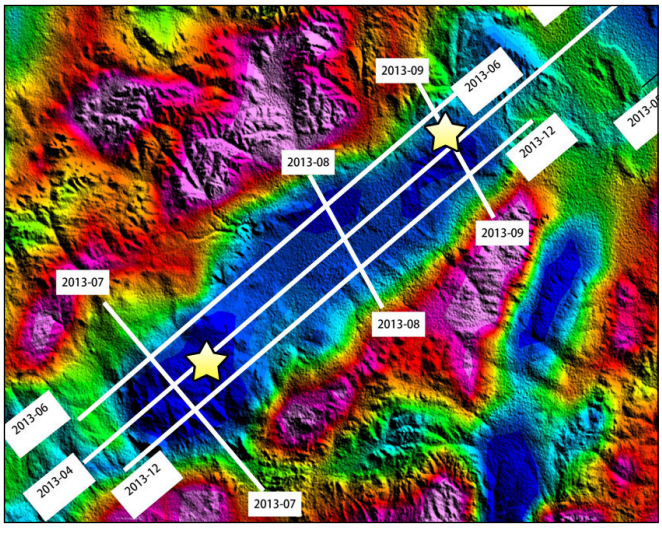
100% owned by Wolf Petroleum.
Located near multi billion barrel producing feilds.



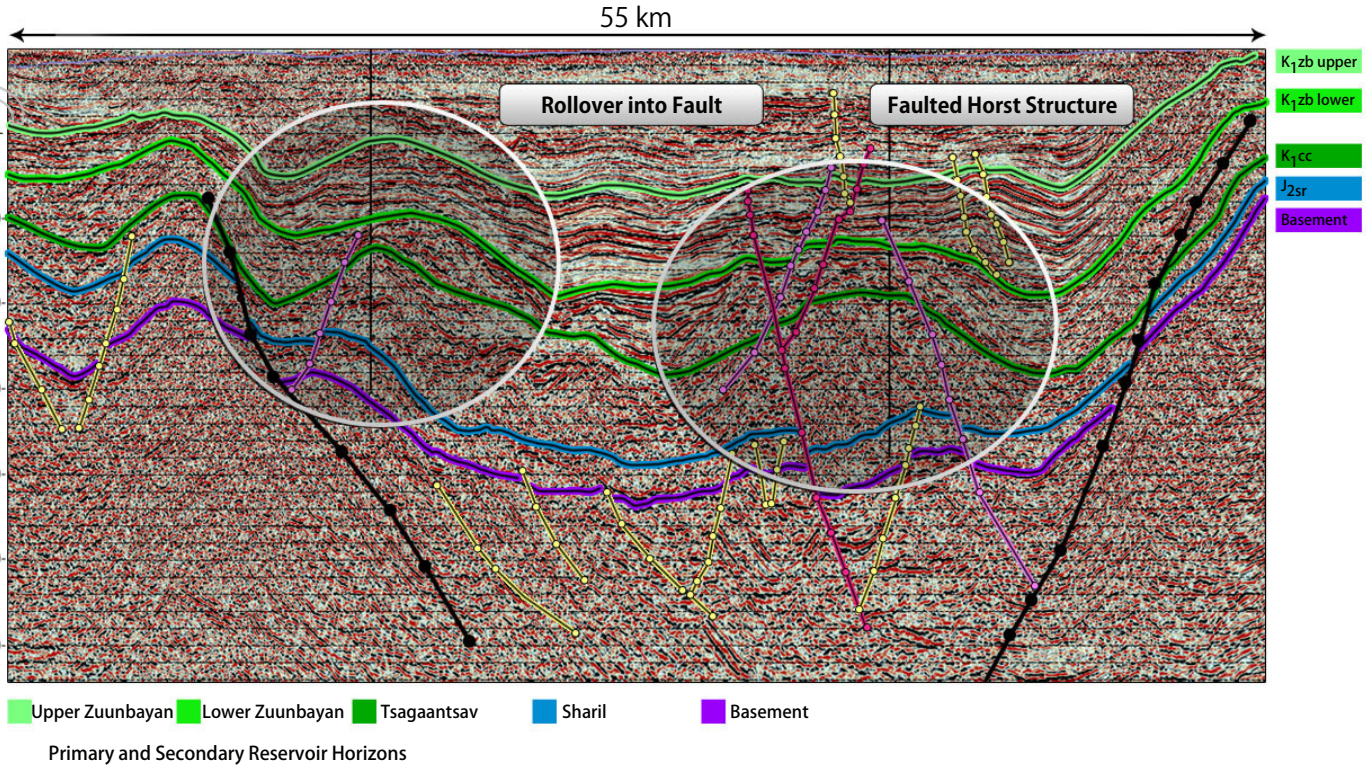

## Seismic UU Sub Basin



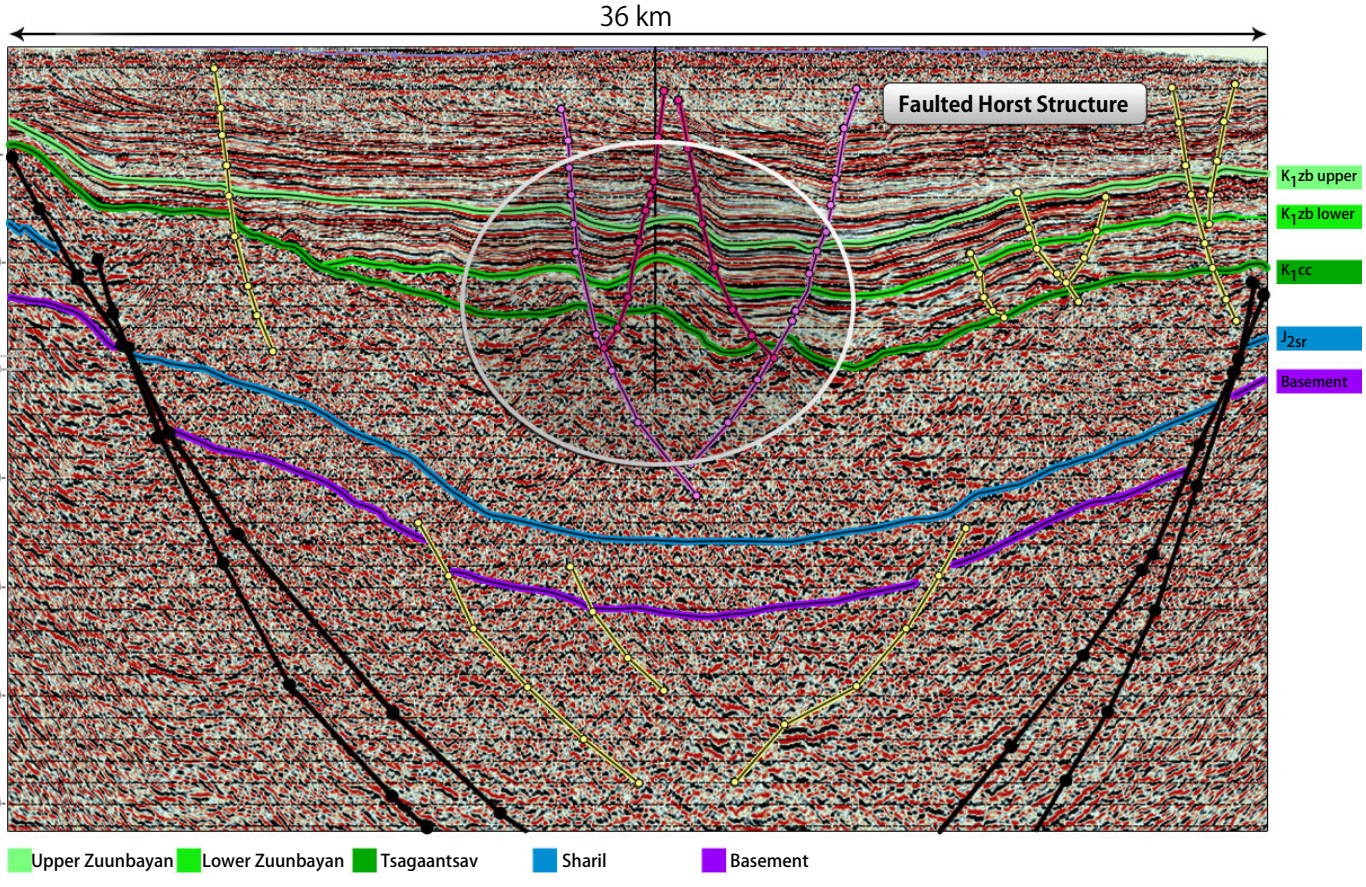

## Seismic TV Sub Basin



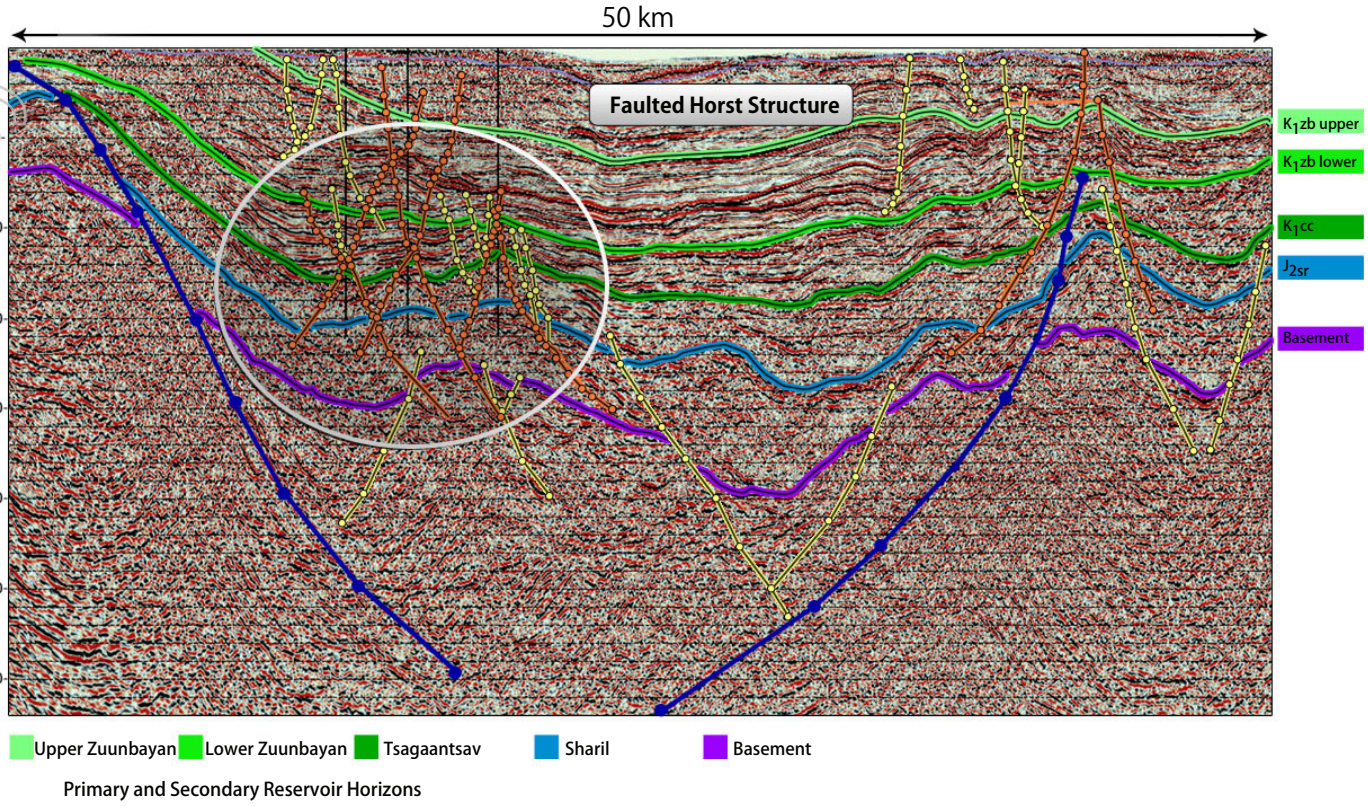
## Sample seismic line: UU Basin 2013-04



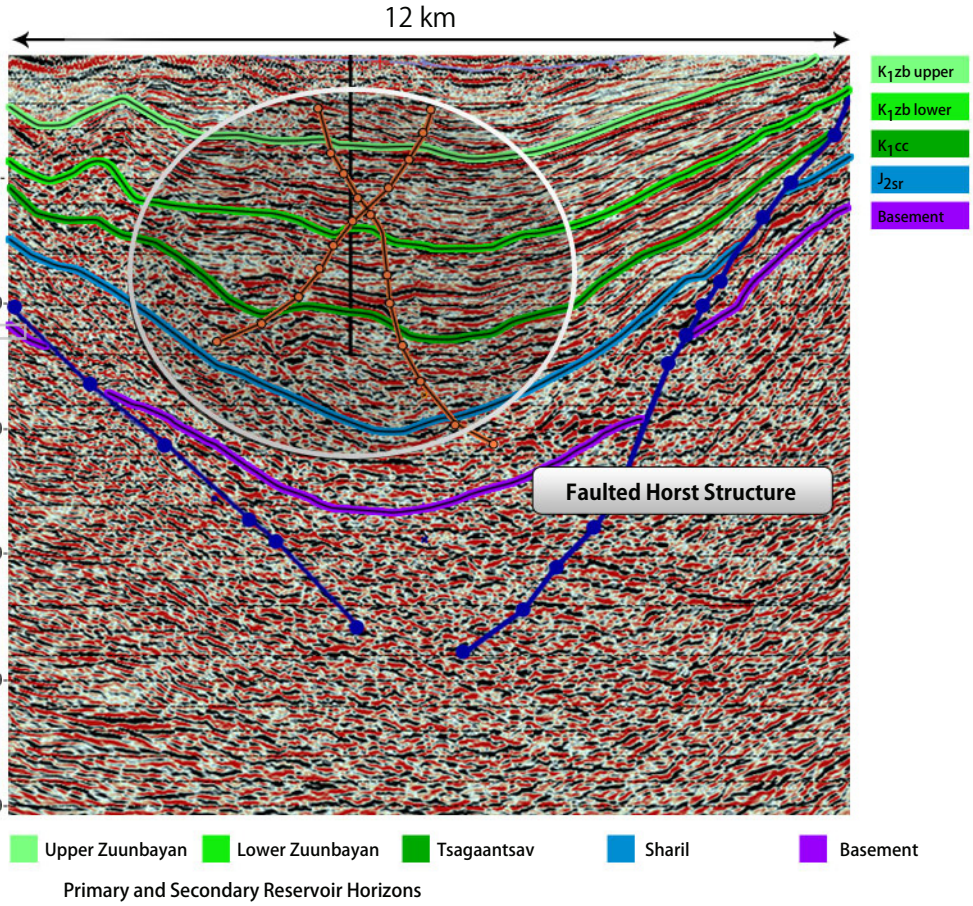

## Sample seismic line: UU Basin 2013-05



## Sample seismic line: TV Basin 2013-04




## Sample seismic line: TV Basin 2013-09



Exploration results to date indicate the substantial potential for oil discoveries on Wolf Petroleum's 100% owned SB block. Six highly prospective basins have been identified, including the Toson Tolgoi Basin, with an area of over 3,500 $km^2$.

A total of 450km of 2D seismic data was acquired on the UU, TV and Talbulag Sub Basins. A total of five drill ready prospective areas have been identified with between **290 Million barrels (low estimate) and 1.624 Billion (High estimate) barrels of oil was estimated on the UU and TV Sub Basins.** Interpretation and resource assessment of Talbulag Basin is currently underway and results are expected in the coming months.

High quality light oil seeps have been documented within seismic shot hole samples confirming the presence of a petroleum system in both the UU and TV Sub Basins.

The Company is now working to identify a suitable farm in partner for the SB block with the aim of commencing initial drill well testing in 2014.

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**Wolf Petroleum Limited**
***Hunting for Mongolia's Multi Billion Barrel Oil Fields***

**The information in this announcement relating to petroleum resources.**

MHA Petroleum Consultants, LLC has estimated prospective resource in the UU and TV subbasins in the Sukhbaatar (SB) block located in eastern Mongolia. These prospective resources, compliant with the PRMS Guidelines (November 2011), were calculated volumetrically in a series of Monte Carlo realizations driven by data provided by Wolf Petroleum and augmented with public domain information where necessary. Best estimates of prospective resources for UU and TV are estimated to be 431.3 million barrels and 329.2 million barrels, respectively.

Oil prospective resources for the UU and TV subbasins were generated with Monte Carlo realizations using Crystal Ball software. The three step process began with calculating an oil prospective resource distribution for each of the three formations in a given lead. The second step involved using these formation distributions as inputs to create a Monte Carlo realization of the prospective resources for the lead. Initial geoscience data indicated that if one formation was charged with hydrocarbons, the remaining two formations in the lead would likely be similarly charged. This fairly high dependence was honored specifying a relatively large correlation coefficient between the formation distributions in Crystal Ball. The third and final step was use of the prospective resource distributions for the individual leads to drive a Monte Carlo realization of the subbasin prospective resources. As occurrence of hydrocarbons in one lead is thought to be weakly correlated with hydrocarbon presence in other leads in the subbasin, a weak correlation coefficient was employed in the Crystal Ball simulations. Coincident with this work was the arrival of new geoscience interpretations that the Upper Zuunbayan formation is expected to be barren in both subbasins. The final step was repeated using only the Lower Zuunbayan and Tsagaanstsav formations.

**Statement of Risk**

The accuracy of resource, reserve, and economic evaluations is always subject to uncertainty. The magnitude of this uncertainty is generally proportional to the quantity and quality of data available for analysis. As a prospect, project, or well matures and new information becomes available, revisions may be required which may either increase or decrease the previous resource or reserve assignments. Sometimes these revisions may result not only in a significant change to the resources, reserves, and value assigned to a property, but also may impact the total company resources and reserves and economic status. The prospective oil resources and distributions reported here in were based upon a technical analysis of the available data using accepted engineering principles. However, they must be accepted with the understanding that further information and future reservoir performance subsequent to the date of the estimate may justify their revision. It is MHA's opinion that the estimated resources and other information as specified in this report are reasonable, and have been prepared in accordance with generally accepted petroleum engineering and evaluation principles. Notwithstanding the aforementioned opinion, MHA makes no warranties concerning the data and interpretations of such data. In no event shall MHA be liable for any special or consequential damages arising from Wolf's use of MHA's interpretation, reports, or services produced as a result of its work for Wolf Petroleum Company.

Neither MHA, nor any of our employees have any interest in the subject properties and neither the employment to do this work, nor the compensation, is contingent on our estimates of resources or reserves for the properties in this report.

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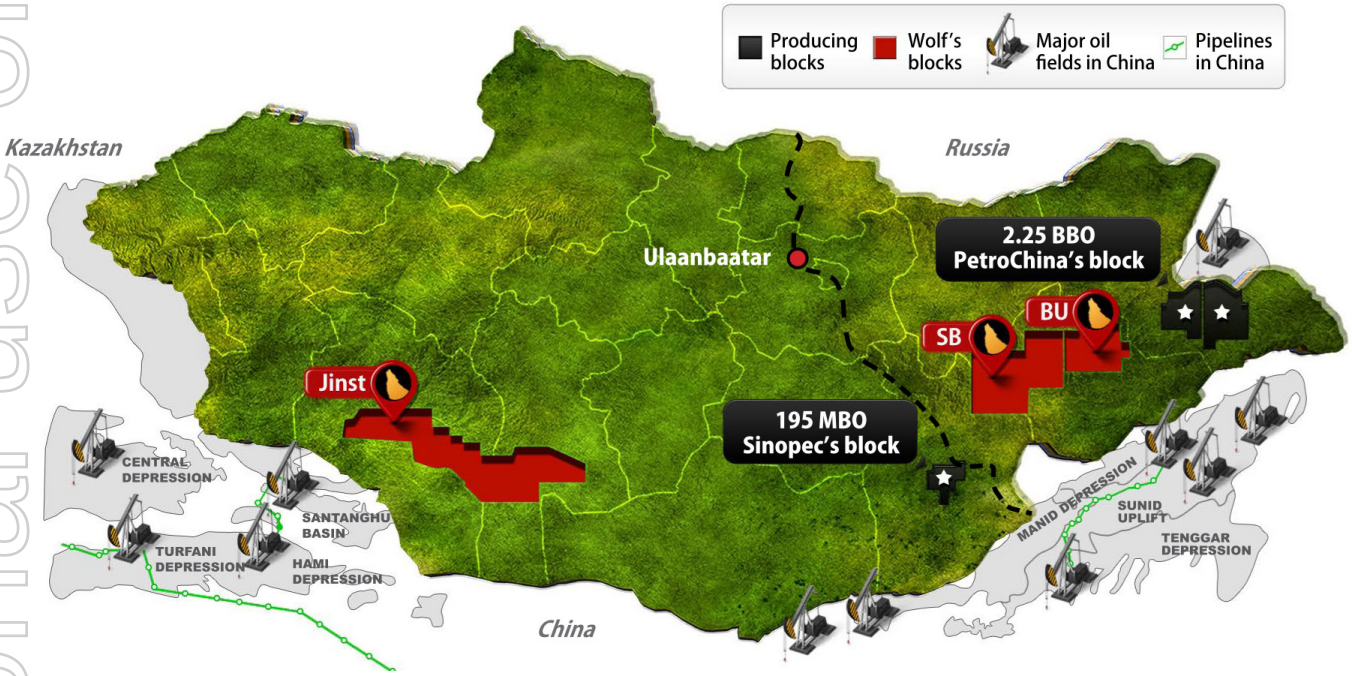
**References**

Guidelines for Application of the Petroleum Resources management System, November 2011,
SPE, AAPG, WPC, SPEE, SEG.

## About Wolf Petroleum.

Wolf Petroleum is an ASX listed company with the largest petroleum acreage in Mongolia.
Wolf has one production block and two exploration blocks covering over 74,400 km$^2$ (more than 18 million acres) proximal to multi-billion barrel oil fields in Mongolia operated by PetroChina.




## Wolf Petroleum Blocks

**SB block (100%)**
23,000 km$^2$
Proven and producing region

**BU block (100%)**
10,000 km$^2$
Proven and producing region

**Jinst block (100%)**
41,000 km$^2$
Proximal to major oil fields in China