



## Quarterly Activities Report

For the three months ending 30 September 2014

Specialty metals development company, Wolf Minerals Limited (ASX: WLF, AIM: WLFE) ("**Wolf**", "**the Company**") is pleased to provide the following update on the Hemerdon tungsten and tin project ("**the Project**") in Devon, UK, for the three month period to 30 September 2014.

### Highlights for the September 2014 Quarter in relation to the Project include:

- ✓ Commenced drawdown of £75 million in senior debt facilities finance facilities.
- ✓ Construction remains on track and on budget.
- ✓ Development expenditure for of A\$61.7 million for the quarter.
- ✓ Geotechnical diamond drill program advanced.

Commenting on the September quarter performance, Wolf's Managing Director, Russell Clark said:

*"This has been another highly successful quarter for Wolf. Completing the necessary conditions to commence draw down of the senior debt finance facilities was a major milestone and our ability to meet all the conditions, and continue to advance the development of the Project, is a testament to the Company and the strength of our management team."*

*"Construction activity at Hemerdon remains on track and excellent weather conditions have continued into the autumn months in the UK, contributing to significant progress being made. We continue to forecast an on time, on budget delivery of the Project, with first concentrate contracted for delivery in the third quarter of 2015."*

**Wolf Minerals Limited**  
**ASX: WLF      AIM: WLFE**

### Capital Structure

807.8M ordinary shares  
8.0M unlisted options

Mkt Cap @ 26.5c: ~A\$214.1M  
Mkt Cap @ 15.00: ~ £121.2M

### Board of Directors

John Hopkins  
Non-Executive Chairman

Russell Clark  
Managing Director

Ronnie Beevor  
Non-Executive Director

Nick Clarke  
Non-Executive Director

Chris Corbett  
Non-Executive Director

Don Newport  
Non-Executive Director

Michael Wolley  
Non-Executive Director

Richard Lucas  
Company Secretary

**Contact:** [www.wolfminerals.com.au](http://www.wolfminerals.com.au)

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## Conditions satisfied for draw-down of £75M Senior Debt Finance

During the quarter Wolf reported that it had satisfied all necessary conditions required to draw-down the Project's £75 million senior debt finance facilities (refer ASX Announcement, 16 September 2014). This represented another significant milestone for the Project and the Company.

The first draw-down and utilisation of the funds took place on 19 September, 2014.

The senior debt finance facilities comprise a £70 million term loan facility and a £5 million bond facility, and were provided by a consortia of leading, global mining financiers; UniCredit Bank AG, London Branch, ING Bank N.V. and Caterpillar Financial SARL.

In conjunction with the Company's \$182.7 million equity capital raise completed in May 2014, the senior debt finance facilities provide the requisite funding to see the Project through construction and to positive cash flow.

## Hemerdon Project Construction Update

The construction of the Project was formally authorised to commence in February 2014 (refer ASX Announcement, 11 February 2014).

The Company is pleased to advise that, as at the end of the September 2014 quarter, construction is well underway and continues to progress on schedule, with the Project's Engineering-Procurement-Construction ("**EPC**") contractor, GR Engineering Services Limited (ASX:GNG) ("**GRES**"), currently expected to complete the plant and hand it over to Wolf in the third quarter of 2015.

The initial phase of construction activity at the Project, which involved site preparation for the new processing facility and the mine waste facility, has been completed as has construction of the access road into the site and the establishment of the contractors' offices, as advised in the June 2014 Quarterly Activities Report.

By the end of the September 2014 quarter, significant further progress was made at the site including:

- Good progress on the Mine Waste Facility which is now 44% complete. This facility is one of the key components of the Project, designed to accommodate the waste from both the mine and the processing plant.
- Structural concrete pours are 84% complete, with the scheduling of pours ensuring that critical path steel erection was not impeded.

- Structural steel erection is underway and 11% complete.
- Approximately 96% of the plant equipment has been delivered to site, allowing immediate installation as the foundations or supporting steelwork becomes available.
- Administration, laboratory and amenities buildings have been delivered and installed and will be commissioned in early 2015.
- Demolition of the pre-existing 1940's plant infrastructure was completed with the resultant concrete being crushed and recycled for use as road base.
- Development of the open pit continued with the excavation waste used in the construction of the mine waste facility. There is no overburden removal required to access the orebody, as it is exposed at surface from previous operations.
- 60,000 tonnes of ore have been stockpiled at the mine, which will form the basis of initial feed to the processing plant. This ore was encountered during the mining of waste used for the construction of the Mine Waste Facility.
- Recruitment of key professional staff has continued with the Company now having 35 employees working directly for Wolf Minerals (UK) Limited. In total there are currently over 300 people working at site.
- Hydro-seeding of a number of areas around the site has taken place to encourage grass growth and reduce dust generation in windy conditions.

The total development expenditure for the September 2014 quarter was A\$61.7 million with the majority related to payments for construction progress to the EPC contractor and the mining contractor.

Commenting on the progress of construction, Wolf Managing Director, Russell Clark said:

*"We are delighted with the level of activity and progress achieved to date at the Hemerdon Project site. The Company's project management team, our EPC contractor - GR Engineering Services, and our mining contractor - C A Blackwell, are working extremely well together. Construction remains on schedule for the Project to be completed on time and on budget in the third quarter of 2015. The next key steps will be completing the erection of structural steel and buildings at site, the commencement of electrical installations as well as the continued installation of the processing plant equipment and the construction of the mine waste facility and associated infrastructure. We look forward to reporting further updates on construction progress in due course."*

## Construction progress - on-site time lapse photography

The Company's web site has time lapse photography showing the progress of both the processing plant site and mine site which can be seen at:

<http://www.wolfminerals.com.au/hemerdon-tungsten-and-tin-project/live-stream> :

*Image 1: Processing plant site 30 June 2014:*



*Image 2: Processing plant site 30 September 2014:*







*Image 3: Mine site 30 June 2014:*



*Image 4: Mine site 30 September 2014:*



## Geotechnical diamond drilling program continues

The original open pit design at the Project included in the Project's Planning Permission was undertaken with limited geotechnical data on the properties of the waste rock surrounding the orebody. As a result, conservative pit wall slopes were incorporated into the original design.

The Company is currently undertaking a geotechnical diamond drill program around the perimeter of the open pit, which is designed to provide more comprehensive data on the waste rock, with the aim of potentially steepening the pit walls, to allow for a deeper pit within the existing Planning Permission, and deliver an increase in reserves.

At the end of September 2014, five of six geotechnical holes in the program had been completed, and at the date of this announcement the drill program is finalised. The remainder of the program will be completed in the 4<sup>th</sup> quarter 2014, and results will be reported when they become available.

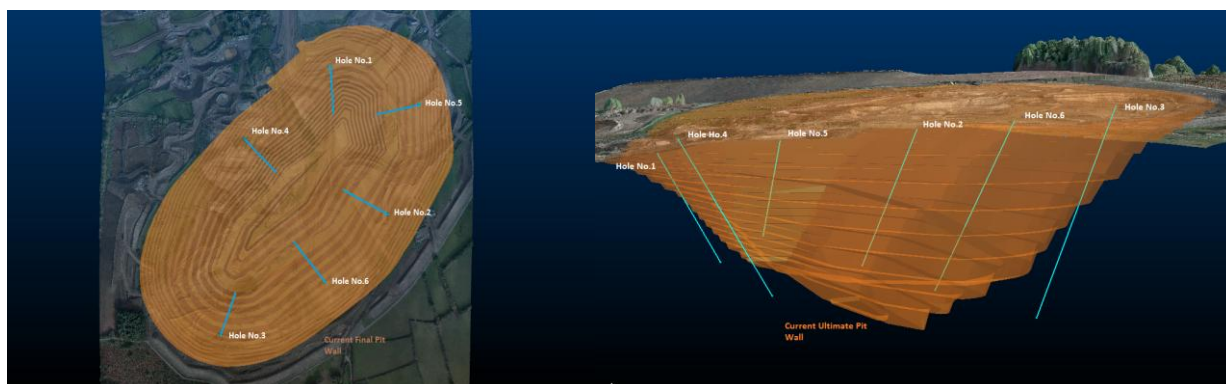


Image 5: Plan and cross section showing position of geotechnical diamond drill holes around the perimeter of the open pit.

## Mining Tenements

As at 30 September 2014, the Company has an interest in the following projects:

Tenement	Location	Interest	Status	Grant Date
Hemerdon	United Kingdom	100%	Leased	10/02/2014

All tenements are held by Wolf Minerals (UK) Limited, a wholly owned subsidiary of the Company. No farm-in or farm-out agreements are applicable. No mining or exploration tenements were acquired or disposed of during the quarter.



## Planned Upcoming Activities

In the December 2014 quarter, Wolf will continue to progress its operations at the Project, with an ongoing focus on construction. Details of proposed activities include continuing:

- Final (6<sup>th</sup>) geotechnical diamond drill hole to assess if steeper final pit walls are feasible and if so deliver increased ore reserves and mine life.
- Structural steel erection, and progressing mechanical equipment installation.
- Construction of the mine waste facility.
- Recruitment of operations personnel.
- Extensive tree-planting program with over 40,000 trees to be planted by June 2015.

## Corporate

There were no shares issued during the quarter.

The Company's Annual General Meeting will be held at The Celtic Club, 48 Ord Street, Perth, Western Australia at 9.30am on Friday 21 November 2014. The Notice of Meeting was released to the ASX on 16 October 2014 and has been sent to all shareholders.

## Promotion and Marketing

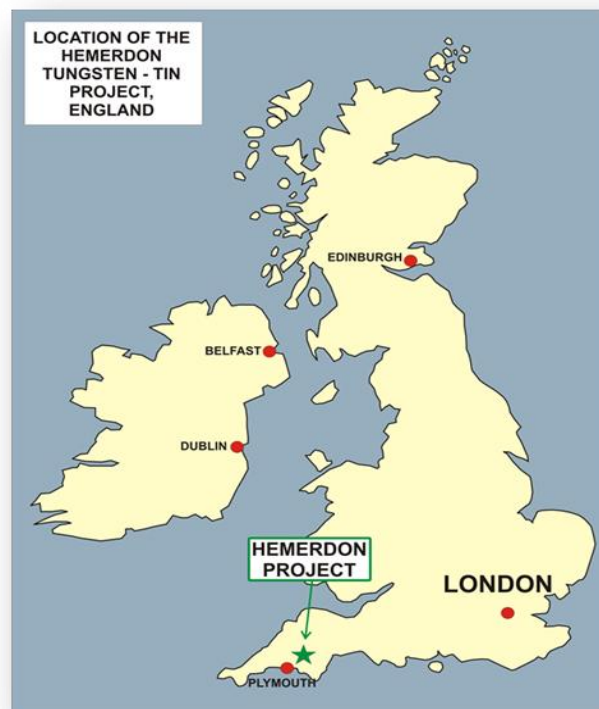
The Company continues with its program of targeted investor relations activities to build awareness of the Project with presentations in Australia, the US and Europe during the quarter.

The Company's latest corporate video, produced in July 2014, provides an update on the Hemerdon Project and is available to view on the home page of the Wolf company website, at [www.wolfminerals.com.au](http://www.wolfminerals.com.au).

The Company's latest Investor Presentation is available, via the following link: <http://www.wolfminerals.com.au/investor-relations/asx-announcements/presentations>

## About Wolf Minerals

Wolf Minerals is a dual listed (“**ASX: WLF**”, “**AIM: WLFE**”) specialty metals company. With global demand for tungsten rising and future global production expected to be constrained, Wolf Minerals is developing the third largest global tungsten resource at its Hemerdon project, located in the South West of England (see Project location map). The Company has strong cornerstone investors and project finance and environmental permitting in place. Wolf has also secured all major contracts for the project, with GR Engineering appointed as the EPC contractor and CA Blackwell being awarded the Mining contract. Production is expected to commence in mid-2015.



**Hemerdon Tungsten-Tin Project location map**

ENDS

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