



ACN 116 249 060

Half-Year Financial Report
31 December 2016

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CORPORATE DIRECTORY

Directors

Ms. Xue Dongping (Executive Chairperson)
Mr. Bataa Tumur-Ochir (CEO, Director)
Mr. Matthew Wood (Non-Executive Director)
Mr. Johnson Huang (Non-Executive Director)
Mr. Jack James (Non-Executive Director)
Ms. Guo Siying (Non-Executive Director)

Joint Company Secretaries

Mr. Jack James
Ms. Kelly Moore

Registered Office

22 Lindsay Street
PERTH, WA 6000
Telephone: +61 8 9200 4428
Facsimile: +61 8 9200 4469
Website: www.wolfpetroleum.net

Share Registry

Automatic Registry Services
Level 2
267 St Georges Terrace
PERTH, WA 6000
Telephone: + 61 8 9324 2099
Facsimile: + 61 8 9321 2337

Auditors

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

Stock Exchange

Australian Securities Exchange Limited
(Home Exchange: Perth, WA)
ASX Code: WOF, WOFOA

DIRECTORS' REPORT

The Directors of Wolf Petroleum Limited ("Wolf" or "the Company") submit the financial report of the consolidated entity for the half-year ended 31 December 2016. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

DIRECTORS

The names of Directors who held office during or since the end of the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Ms. Xue Dongping	Executive Chairperson (appointed 17 August 2016)
Mr. Bataa Tumur-Ochir	CEO, Director
Mr. Matthew Wood	Non-Executive Director
Mr. Johnson Huang	Non-Executive Director (appointed 17 August 2016)
Mr. Jack James	Non-Executive Director (appointed 17 August 2016)
Ms. Guo Siying	Non-Executive Director (appointed 17 November 2016)
Mr. Brian McMaster	Former Non-Executive Director (resigned 17 August 2016)
Mr. Jargalsaikhan Dambadarjaa	Former Non-Executive Director (resigned 17 August 2016)

RESULTS

The loss after tax for the half year ended 31 December 2016 was \$443,373 (2015: \$570,683).

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activities of the Group during the half-year ended 31 December 2016 were mineral exploration and examination of new resource opportunities. There have been no significant changes in the nature of these activities during the half-year.

DIVIDENDS

No dividend was paid or declared by the Company during the half-year ended 31 December 2016 and up to the date of this report.

REVIEW OF OPERATIONS

Strategic Partnership – China SAM Enterprise Group Co Ltd

Pursuant to the agreement with China SAM Enterprise Group Co., Ltd ('SAM Group'), as announced on 14 June 2016, during July 2016 the Company completed the issue of Phase 2 Shares to SAM Group to raise approximately \$724,500 before costs.

Upon the issue of the Phase 2 Shares, the Company announced the appointment of Ms. Xue Dongping and Mr. Johnson Huang to the Board as SAM Group nominee directors on 17 August 2016. On that date, Mr. Jack James was also appointed to the Board with Mr. Brian McMaster and Mr. Jargalsaikhan resigning.

On 19 September 2016, the Company issued a notice for a general meeting of shareholders seeking approval to issue the 243,316,000 Phase 3 Shares and 242,907,013 Options to SAM Group to raise approximately \$2,433,160 before costs.

On 19 October 2016, the Company announced that all resolutions contained in the notice of general meeting were approved with the Phase 3 Shares and Options being on 11 November 2016.

On 17 November 2016, Ms. Ying, a further nominee of SAM Group, was appointed to the Board.

Sukhbaatar Block (100%) - 23,047km²

The Sukhbaatar (SB) Block is the Company's flagship project and one of the first identified petroleum blocks in Mongolia. The Company holds a Production Sharing Contract (PSC) with the Government of Mongolia to explore and produce oil for over 35 years in relation to the SB Block.

An independent resource assessment completed on the SB Block has estimated a substantial oil resource with the potentially recoverable oil on seven drill ready targets having a low estimate of 462.3 million barrels of oil and a high estimate of 2.2 billion barrels of oil as noted in the table below. These results are compelling evidence of the significant potential of the Toson Tolgoi and Talbulag basins.

Targets	High Estimate	Best Estimate	Low Estimate
UU #1,2,3	914.6 million	431.3 million	178.5 million
TV #1,2	710.3 million	329.2 million	112.1 million
TB #1,2	607.6 million	332.2 million	171.7 million
Total	2.232 billion	1.092 billion	462.3 million

Prospective Resource Assessment was estimated following Petroleum Resource Management System Guidelines. Estimates are for primary recovery from identified leads only and potential stratigraphic and additional leads are not included in this calculation. Refer to ASX announcement 'Oil Resources Estimates Increased' released on 5 May 2014 for further detail in relation to the determination of the estimated resources values including control procedures.

During the half-year, the Board has been focused on the planning of future works on the SB block given the finalisation of the strategic partnership with SAM Group.

Baruun Urt Block (100%) - 10,287km²

The Baruun Urt (BU) Block is located in a region with proven and producing petroleum systems and is adjoining the Company's SB Block. The block is proximal to Petro China's multi-billion barrel oil fields in Mongolia. Previously, the Company completed ground geological and geophysical programmes and acquired 330 km's of 2D seismic data focusing on six sub basins identified. The seismic interpretation revealed 22 lead targets and prospective resources are being estimated.

During the half-year the Company continued communications with the Petroleum Authority of Mongolia to work towards signing a Production Sharing Contract.

Jinst Block (100%) - 41,000km²

The Jinst Block is the largest petroleum exploration block in Mongolia and is proximal to one of the largest oil producing basins in China. Previously, the Company completed the largest ground geological and geophysical programmes in Mongolia and identified twelve sub basins.

During the half-year the Company continued communications with the Petroleum Authority of Mongolia to work towards signing a Production Sharing Contract.

Corporate

Board Changes

On 17 August 2016, the Company announced the appointment of Ms. Xue Dongping, Mr. Johnson Huang and Mr. Jack James to the Board. On that date, Mr. Brian McMaster and Mr. Jargalsaikhan resigned.

On 17 November 2016, the Company announced the appointment of Ms. Siying Guo to the Board.

Capital Raising

On 21 July 2016 and 26 July 2016, the Company issued the Phase 2 ordinary shares to SAM Group at \$0.01 per share to raise approximately \$724,500 before costs.

On 11 November 2016 and 21 November 2016, the Company issued the Phase 3 ordinary shares and options to SAM Group at \$0.01 per share to raise \$2,433,160 before costs.


SUBSEQUENT EVENTS

There have been no significant events subsequent to the half-year to the date of this report.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the *Corporations Act 2001* requires our auditors, BDO, to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 3 and forms part of this Directors' Report for the half-year ended 31 December 2016.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3)(a) of the *Corporations Act 2001*.



Xue Dongping
Executive Chairperson

Perth, Western Australia
10 March 2017

Competent Person Statement

The prospective resource information in this report, as disclosed in the 5 May 2014 ASX release titled 'Oil Resources Estimates Increased', in relation to the SB Block is based on, and fairly represents, information and supporting documentation prepared by MHA under the supervision of Debra Gomez. Debra Gomez holds a B.Sc degree in Geology, masters of Science in Geology, is a certified professional geologist and petroleum geologist and has over twenty-five years' experience in the sector. Debra Gomez is a professional member of the American Association of Petroleum Geologists, Rocky Mountain Association of Geologists and Rocky Mountain Section of SEPM – Society for Sedimentary Geology. Debra Gomez is not an employee of the Company and consented in writing to the inclusion of the prospective resources information in the form and context in which it appears.

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF WOLF PETROLEUM LIMITED

As lead auditor for the review of Wolf Petroleum Limited for the half-year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Wolf Petroleum Limited and the entities it controlled during the period.

Dean Just

Director



BDO Audit (WA) Pty Ltd

Perth, 10 March 2017

Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the half-year ended 31 December 2016

		31 December 2016	31 December 2015
	Notes	\$	\$
Continuing Operations			
Interest received		1,798	1,444
Other income	3	317,961	-
		<u>319,759</u>	<u>1,444</u>
Corporate advisory fee		-	(30,000)
Employee benefits expense		(87,033)	(112,679)
Foreign exchange loss		(75,409)	(200)
Other expenses		(138,739)	(115,653)
Professional and consulting fees	4	(400,335)	(227,707)
Rental expenses		(18,236)	(20,934)
Service administration fee		(20,000)	(60,000)
Travel expenses		(23,380)	(4,954)
Loss from continuing operations before income tax		(443,373)	(570,683)
Income tax benefit		-	-
Loss from continuing operations after income tax		(443,373)	(570,683)
Other comprehensive loss			
<i>Items that may be reclassified to profit and loss</i>			
Exchange differences arising on translation of foreign operations		(1,164,365)	141,469
Other comprehensive loss for the half-year, net of tax		(1,164,365)	141,469
Total comprehensive loss for the half-year		(1,607,738)	(429,214)
Basic and diluted loss per share for the half-year attributable to the members of Wolf Petroleum Ltd			
Basic and diluted loss per share (cents per share)		(0.10)	(0.19)

The above Consolidated Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position
as at 31 December 2016

		31 December 2016	30 June 2016
	Notes	\$	\$
Current Assets			
Cash and cash equivalents		1,407,234	45,666
Other receivables		139,230	152,639
Other current assets		24,298	980
Total Current Assets		<u>1,570,762</u>	<u>199,285</u>
Non-Current Assets			
Plant and equipment		86,356	116,253
Deferred exploration and evaluation expenditure	5	10,572,635	11,174,157
Total Non-Current Assets		<u>10,658,991</u>	<u>11,290,410</u>
Total Assets		<u>12,229,753</u>	<u>11,489,695</u>
Current Liabilities			
Trade and other payables	6	2,023,638	2,716,840
Borrowings	7	-	60,000
Total Current Liabilities		<u>2,023,638</u>	<u>2,776,840</u>
Total Liabilities		<u>2,023,638</u>	<u>2,776,840</u>
Net Assets		<u>10,206,115</u>	<u>8,712,855</u>
Equity			
Issued capital	8	25,503,449	22,402,451
Reserves		1,405,981	2,570,346
Accumulated losses		(16,703,315)	(16,259,942)
Total Equity		<u>10,206,115</u>	<u>8,712,855</u>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows
for the half-year ended 31 December 2016

	31 December 2016	31 December 2015
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(1,289,466)	(162,601)
Interest received	1,798	1,444
Interest expense	(15,000)	-
Net cash used in operating activities	(1,302,668)	(161,157)
Cash flows from investing activities		
Payments for exploration expenditure and acquisition costs	(378,341)	(63,180)
Net cash used in investing activities	(378,341)	(63,180)
Cash flows from financing activities		
Proceeds from issue of shares	3,157,950	-
Payments for share issue costs	(55,373)	-
Payments for borrowings	(60,000)	-
Net cash provided by financing activities	3,042,577	-
Net increase / (decrease) in cash held	1,361,568	(224,337)
Cash and cash equivalents at beginning of period	45,666	340,979
Cash and cash equivalents at the end of the period	1,407,234	116,642

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity
for the half-year ended 31 December 2016

	Issued Capital \$	Accumulated Losses \$	Share Option Reserve \$	Foreign Currency Translation Reserve \$	Total \$
Balance at 1 July 2016	22,402,451	(16,259,942)	2,707,845	(137,499)	8,712,855
Loss for the half-year	-	(443,373)	-	-	(443,373)
Other comprehensive income	-	-	-	(1,164,365)	(1,164,365)
Total comprehensive income/(loss) for the half-year	-	(443,373)	-	(1,164,365)	(1,607,738)
Transactions with owners in their capacity as owners					
Shares issued through placement	3,157,660	-	-	-	3,157,660
Shares issued under prospectus	290	-	-	-	290
Costs of share issue	(56,952)	-	-	-	(56,952)
Balance at 31 December 2016	25,503,449	(16,703,315)	2,707,845	(1,301,864)	10,206,115
Balance at 1 July 2015	22,362,451	(15,019,570)	2,707,845	(194,234)	9,856,492
Loss for the half-year	-	(570,683)	-	-	(570,683)
Other comprehensive income	-	-	-	141,469	141,469
Total comprehensive income/(loss) for the half-year	-	(570,683)	-	141,469	(429,214)
Transactions with owners in their capacity as owners					
Shares issued	-	-	-	-	-
Costs of share issue	-	-	-	-	-
Balance at 31 December 2015	22,362,451	(15,590,253)	2,707,845	(52,765)	9,427,278

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of Wolf Petroleum Limited for the half-year ended 31 December 2016 were authorised for issue in accordance with a resolution of the Directors on 10 March 2017. Wolf Petroleum Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and principal activities of the Company are described in the Directors' Report.

Basis of Preparation

These general purpose financial statements for the half-year reporting period ended 31 December 2016 have been prepared in accordance with Australian Accounting Standard 134 Interim Financial Reporting and the *Corporations Act 2001*.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with any public announcements made by Wolf Petroleum Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The half-year report has been prepared on an accruals basis and is based on historical costs. The accounting policies and methods of computation are the same as those adopted in the most recent annual financial statements.

Going Concern

The half-year report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

For the half-year ended 31 December 2016, the Group recorded a loss of \$443,373 (2015: \$570,683), and experienced net cash outflows from operating activities of \$1,302,668, net cash outflows from investing activities of \$378,341 and net cash inflows from financing activities of \$3,042,577. At 31 December 2016, the Group had a net current liabilities position of \$452,876 (30 June 2016: \$2,577,555) of which \$796,400 (30 June 2016: \$2,005,031) were related parties. At 31 December 2016, the cash balance was \$1,407,234 (30 June 2016 \$45,666).

The Directors recognise that the ability of the Group to continue as a going concern is dependent upon the future successful raising of necessary funding through equity. These conditions indicate a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial statements have been prepared on the basis the Group continues as a going concern for the following reasons;

- The Directors of Wolf Petroleum Limited have assessed the likely cash flow for a period to June 2018 and its impact on the Group and believe there will be sufficient funds to meet the entity's working capital requirements as at the date of this report. The achievement of the forecast is dependent on further capital raising; and
- The Directors have obtained written confirmations from all related parties (\$796,400) confirming they will accept repayment per an agreed upon schedule aligning with the receipt of funding from the SAM Group.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not be able to continue as a going concern.

New and Amending Accounting Standards and Interpretations

In the half-year ended 31 December 2016, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for the current reporting period.

It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change is necessary to the Group accounting policies.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2016. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change necessary to the Group accounting policies.

New and amended accounting standards and interpretations have been published but are not mandatory. The Group has decided against early adoptions of these standards, and has determined the potential impact on the financial statements from the adoption of these standards and interpretations is not material to the Group.

Wolf Petroleum Limited

Notes to the consolidated financial statements for the half-year ended 31 December 2016

New or revised requirement	Impact on Group's financial report	Application date for Group
AASB 9: Financial Instruments AASB 9 includes requirements for the classification and measurement of financial assets. It was further amended by AASB 2010-7 to reflect amendments to the accounting for financial liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139.	The Group has considered these standards and determined that there is no impact on the Group's financial statements.	1 July 2017
AASB 15: Revenue from Contracts with Customers An entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under IAS 18 Revenue.	The Group has not yet determined the impact on the Group's financial statements.	1 July 2018
AASB 16: Leases IFRS 16 eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It instead requires an entity to bring most leases onto its statement of financial position in a similar way to how existing finance leases are treated under AASB 117. An entity will be required to recognise a lease liability and a right of use asset in its statement of financial position for most leases. There are some optional exemptions for leases with a period of 12 months or less and for low value leases.	The Group has not yet determined the impact on the Group's financial statements.	1 July 2019

There are no other standards that are not yet effective that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2. SEGMENT REPORTING

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The entity does not have any operating segments with discrete financial information. The Board of Directors review internal management reports on a monthly basis that are consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

3. OTHER INCOME

As part of the strategic partnership with SAM Group, during the period certain Directors and consultants forgave fees owing to them to the value of \$317,961. Included in this amount were amounts owing to related parties of \$266,896.

4. EXPENSES

Professional and consulting fees

Accounting, audit and taxation fees

Consultants

Director fees

Legal fees

31 December 2016 31 December 2015
\$ \$

(40,896) (25,817)

(176,000) (180,000)

(177,499) (20,000)

(5,940) (1,890)

(400,335) (227,707)

31 December 2016 30 June 2016
\$ \$

5. DEFERRED EXPLORATION & EVALUATION EXPENDITURE

Opening balance

Exploration expenditure incurred during the period

Net exchange differences on translation

Closing balance

11,174,157 10,280,282

601,521 845,057

(1,203,043) 48,818

10,572,635 11,174,157

Exploration and evaluation expenditure is recorded at historical cost on an area of interest basis. Recovery of these costs is dependent upon the commercial success of future exploration and development or realisation by disposal of the interests therein.

Wolf Petroleum Limited

Notes to the consolidated financial statements for the half-year ended 31 December 2016

	31 December 2016	30 June 2016
	\$	\$
6. TRADE AND OTHER PAYABLES		
Trade payables	1,997,912	2,420,069
Accruals	25,726	296,771
Closing balance	2,023,638	2,716,840

	31 December 2016	30 June 2016
	\$	\$
7. BORROWINGS		
Opening balance	60,000	-
Loan from third party	-	60,000
Repayment of borrowings	(60,000)	-
	-	60,000

During the previous financial year the Company entered into a loan agreement with Celtic Capital Pty Ltd for a facility of \$60,000. The interest rate on the agreement was 20% per annum, with a minimum interest amount of \$15,000. The loan facility was fully repaid on 21 July 2016.

	31 December 2016	30 June 2016
	\$	\$
8. ISSUED CAPITAL		
Issued and paid up capital		
Ordinary shares fully paid	25,503,449	22,402,451

	31 December 2016		30 June 2016	
	No.	\$	No.	\$
Movements in issued capital				
Opening balance	311,225,811	22,402,451	307,225,811	22,362,451
Shares issued through placement	315,766,000	3,157,660	4,000,000	40,000
Shares issued under prospectus	10,000	290	-	-
Costs of share issue	-	(56,952)	-	-
Closing balance	627,001,811	25,503,449	311,225,811	22,402,451

9. CONTINGENT LIABILITIES

There has been no change in contingent liabilities or contingent assets since the last annual reporting date.

10. SUBSEQUENT EVENTS

There have been no significant events subsequent to the half-year to the date of this report.

11. DIVIDENDS

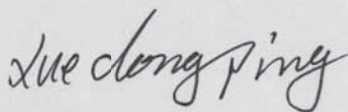
No dividends have been paid or provided for during the half-year.

DIRECTORS' DECLARATION

In the opinion of the Directors of Wolf Petroleum Limited ('the Company'):

1. The financial statements and notes thereto, as set out on pages 4 to 10, are in accordance with the *Corporations Act 2001* including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year then ended on that date; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5)(a) of the *Corporations Act 2001*.



Xue Dongping
Executive Chairperson

Perth, Western Australia
10 March 2017

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Wolf Petroleum Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Wolf Petroleum Limited, which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Wolf Petroleum Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Wolf Petroleum Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Wolf Petroleum Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*

Emphasis of matter

Without modifying our conclusion, we draw attention to Note 1 in the half-year financial report, which describes the events and conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

BDO Audit (WA) Pty Ltd



Dean Just
Director

Perth, 10 March 2017