

STRATEGIC PARTNER TO INVEST UP TO \$3.2 MILLION IN WOLF PETROLEUM

ASX RELEASE

14 June 2016

Wolf Petroleum Limited
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DIRECTORS:

Matthew Wood
Bataa Tumur-Ochir
Brian McMaster
Jargalsaikhan Dambadarjaa

ISSUED CAPITAL:

307,225,811 shares
232,907,013 (WOFOA)
10,000,000 unlisted options

ASX CODE:

WOF, WOFO, WOFOA

Wolf Petroleum Limited ASX:WOF (**WOF** or the **Company**) is pleased to announce that it has agreed terms for the funding of up to \$3.2 million from China Sam Enterprise Group Co., Ltd (**SAM Group**).

The key terms:

- 4,000,000 ordinary shares at \$0.01 per share (Phase 1 Shares);
- 72,450,000 ordinary shares at \$0.01 per share (Phase 2 Shares);
- 243,316,000 ordinary shares at \$0.01 per share (Phase 3 Shares) and up to 242,907,013 options (WOF Options) subject to shareholder approval; and
- the appointment of up to three SAM Group nominees to the board of WOF.

Executive Chairman Matthew Wood, said "Securing SAM Group as a new cornerstone investor is a milestone development for Wolf and its shareholders. In this current downturn in the petroleum industry, well-funded investment groups such as SAM Group who know Mongolia and know the Wolf assets deciding to join Wolf is a vote of support in the work that the company has been doing for a number of years to develop our interests in these blocks."

The Proposed Transaction will provide the Company with additional capital for the continual development of its petroleum exploration projects, the SB, Jinst and BU blocks. The Proposed Transaction will not result in a change in the nature of the Company's activities. SAM Group is committed to assisting WOF in the development of its existing projects, the SB, Jinst and BU blocks. SAM Group is not a related party of the Company.

The Proposed Transaction is subject to satisfaction of conditions precedent and to finalisation of formal documentation.

Shareholder approval of the Phase 3 Shares and the issue of ordinary shares on the conversion of the WOF Options will be sought for ASX Listing Rule and Corporations Act requirements at a general meeting of WOF shareholders, which is expected to be convened in early September. The notice of meeting will include an independent expert's report.

The implementation agreement contains customary terms for the subscription and industry standard deal protection provisions including a \$32,000 reimbursement fee.

It is proposed that SAM Group will nominate three new directors to the Board, with two nominee directors of SAM Group to be appointed concurrently with the issue of the Phase 2 Shares and a further additional nominee director to be appointed concurrently with the issue of the Phase 3 Shares. Further details and background regarding the nominee directors will be provided to shareholders in due course.

Two existing members of the Board intend to resign from their existing roles.

Indicative Capital Structure

Set out below is the indicative capital structure of the Company following completion of the Proposed Transaction and associated capital raisings. The anticipated capital structure of the Company is only an estimate and is subject to variation.

	SHARES	OPTIONS
Shares currently on issue	307,225,811	242,907,013 ¹
Phase 1 Shares	4,000,000	Nil
Phase 2 Shares	72,450,000	Nil
Phase 3 Shares and WOF Options	243,316,000	242,907,013
TOTAL²	626,991,811	485,814,026

Note:

1. Comprising 232,907,013 listed options exercisable at \$0.05 on or before 31 July 2018 and 10,000,000 unlisted options exercisable at \$0.25 on or before 31 December 2016.
2. This assumes that no options in WOF are exercised.

Bataa Tumur-Ochir
Chief Executive Officer
Wolf Petroleum Limited

About China SAM Enterprise Group: China SAM Enterprise Group was founded in 1985 and headquartered in Beijing. The Group is involved in oil, natural gas, exploration and production as well as in investment, asset management, information technology and international trade.

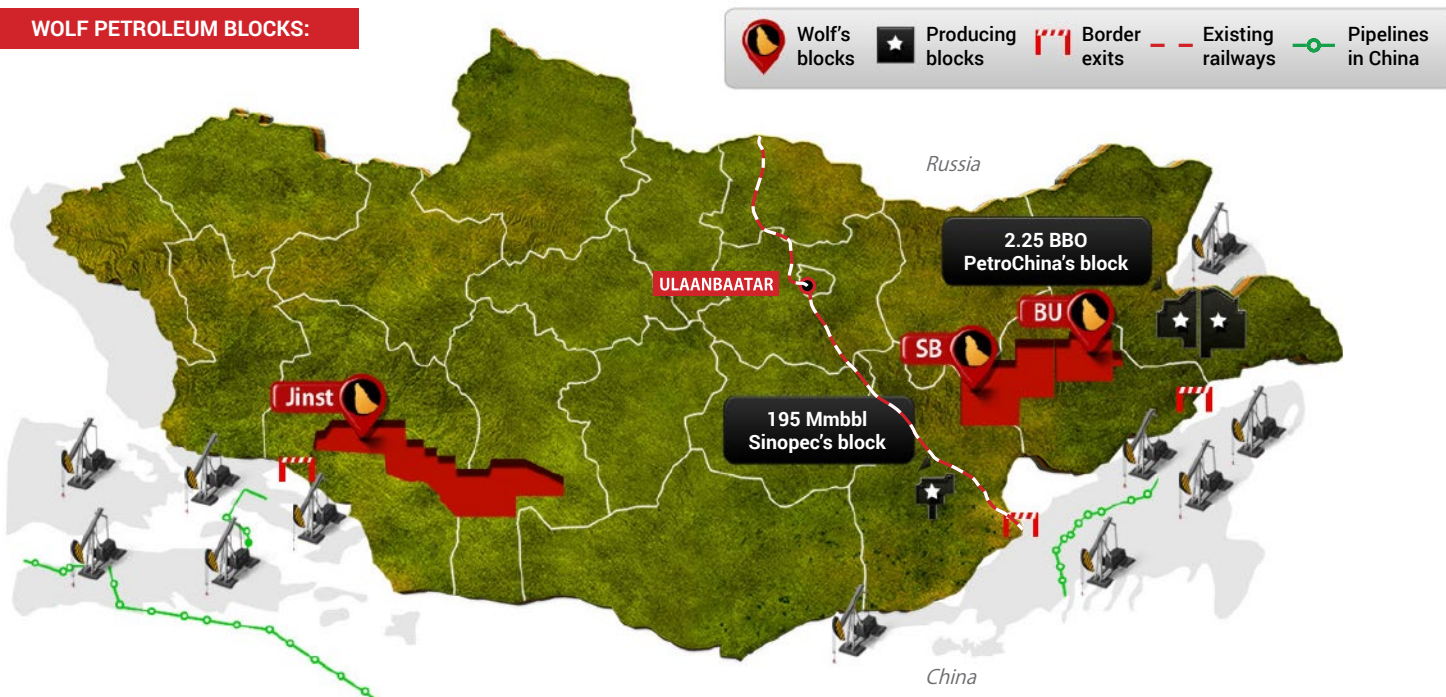
ABOUT WOLF PETROLEUM

Wolf Petroleum is an ASX listed company with the largest petroleum acreage in Mongolia.

Company management is based in Mongolia and is strongly supported by the Mongolian people and industry authorities.

The Company has been awarded as "The Operator of the Year" in 2013 and 2011 by Petroleum Authority of Mongolia.

WOLF PETROLEUM BLOCKS:



SB block (100%)

23,000 sq.km

Proven and producing region

Drill Ready Targets!
Estimated Over Billion Barrels of Oil.*
Farm-in Opportunities!

BU block (100%)

10,000 sq.km

Proven and producing region

Proximal to multi billion barrel producing fields in Mongolia.

22 Lead targets identified.

Jinst block (100%)

41,000 sq.km

Frontier region

The largest petroleum block in Mongolia.

Proximal to multi billion producing oil fields in China.

ASX CODE: WOF

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* For full details of oil estimates see ASX Announcement "Oil Resource Estimates Increased, dated 5 May 2014. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.