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OIL RESOURCE ESTIMATES INCREASED TO OVER A BILLION BARRELS OF OIL

ASX RELEASE

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Issued Capital:

261.8 million shares
27 million options (WOFO)
174 million options (WOFOA)
14.4 million unlisted options

ASX Code:

WOF, WOFO, WOFOA

OIL RESOURCE ESTIMATES INCREASED TO OVER A BILLION BARRELS OF OIL.

Mongolian oil explorer Wolf Petroleum is extremely pleased to announce an increase to its oil resource estimates with the addition of two new drill ready leads. Both of the new leads are also located on the Companies 100% owned SB block.

Highlights:

- Two new drill ready leads identified within the Talbulag Basin.
- Independent prospective resource assessment of the two new drill ready leads estimated **Low 171.7 million to High 607.6 million** barrels of oil.
- Wolf now has a total of **7 leads for 1.092 billion** on the SB block within 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

The estimated quantities of petroleum that may potentially be recovered by the application of future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Wolf Petroleum signed a production sharing contract on SB block in January 2013 for up to 39 years of exploration and production. In 2013, the Company successfully completed a two year work programme in one year is now one year ahead of contract commitments.

Comprehensive geological and geophysical exploration programmes have identified one of the **largest sub basins in Mongolia with over a billion barrels** of independently estimated oil.

Geochemical analysis has revealed **high quality light oil seeps within the samples**, possibly indicating live and active petroleum systems within the basins identified on the SB block.

The Company is currently working towards farming out an interest in the SB block with the aim of drilling identified leads and moving the block towards potential initial production.

Exploration costs are low and existing infrastructure to China provides a ready market for oil discoveries in Mongolia.

A data room is available for potential strategic partners and **discussions with interested parties and evaluation of technical data has already commenced.**

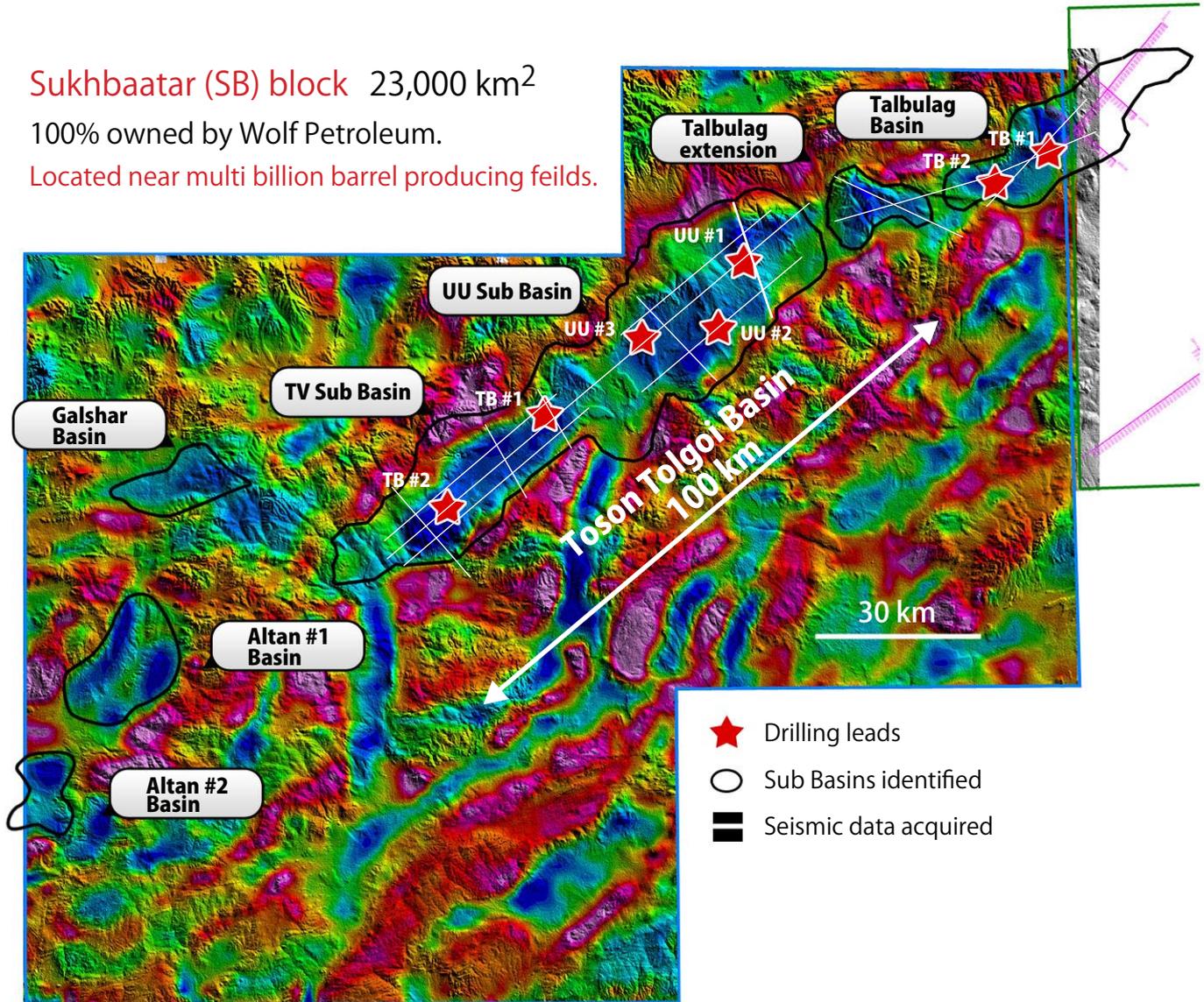
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Wolf Petroleum Limited

Hunting for Mongolia's Multi Billion Barrel Oil Fields

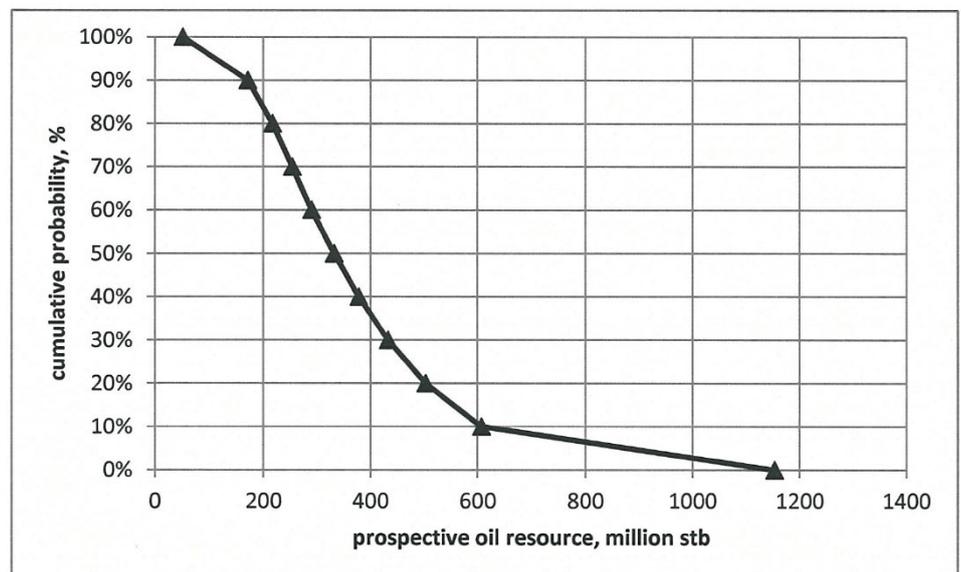
Sukhbaatar (SB) block 23,000 km²
100% owned by Wolf Petroleum.
Located near multi billion barrel producing fields.



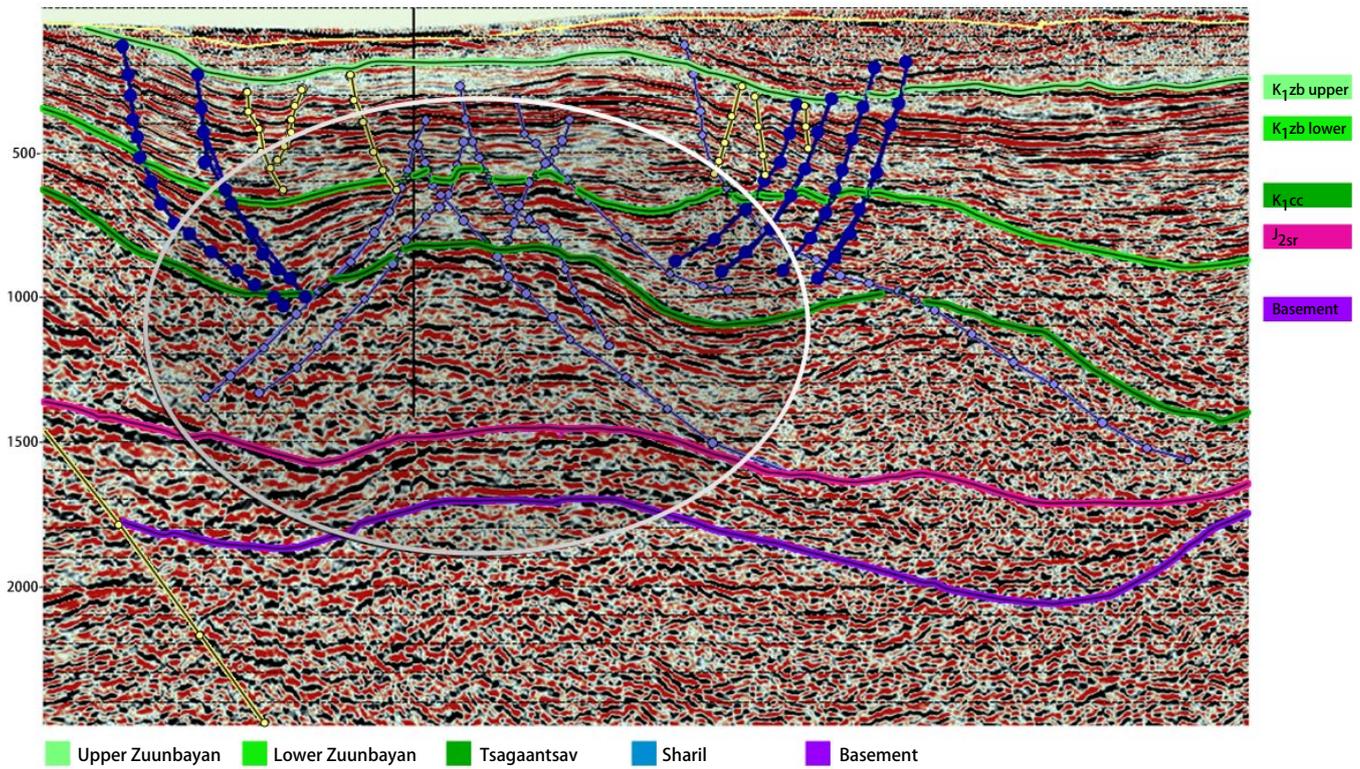
Prospective oil distribution on the new two Talbulag Sub Basin leads

correlation coefficient = 0

	%	million barrels
LOW estimate	100%	51.3
	90%	171.7
	80%	217.3
BEST estimate	70%	254.4
	60%	289.9
	50%	332.2
	40%	378.2
HIGH estimate	30%	432.7
	20%	503.1
	10%	607.6
	0%	1153.8

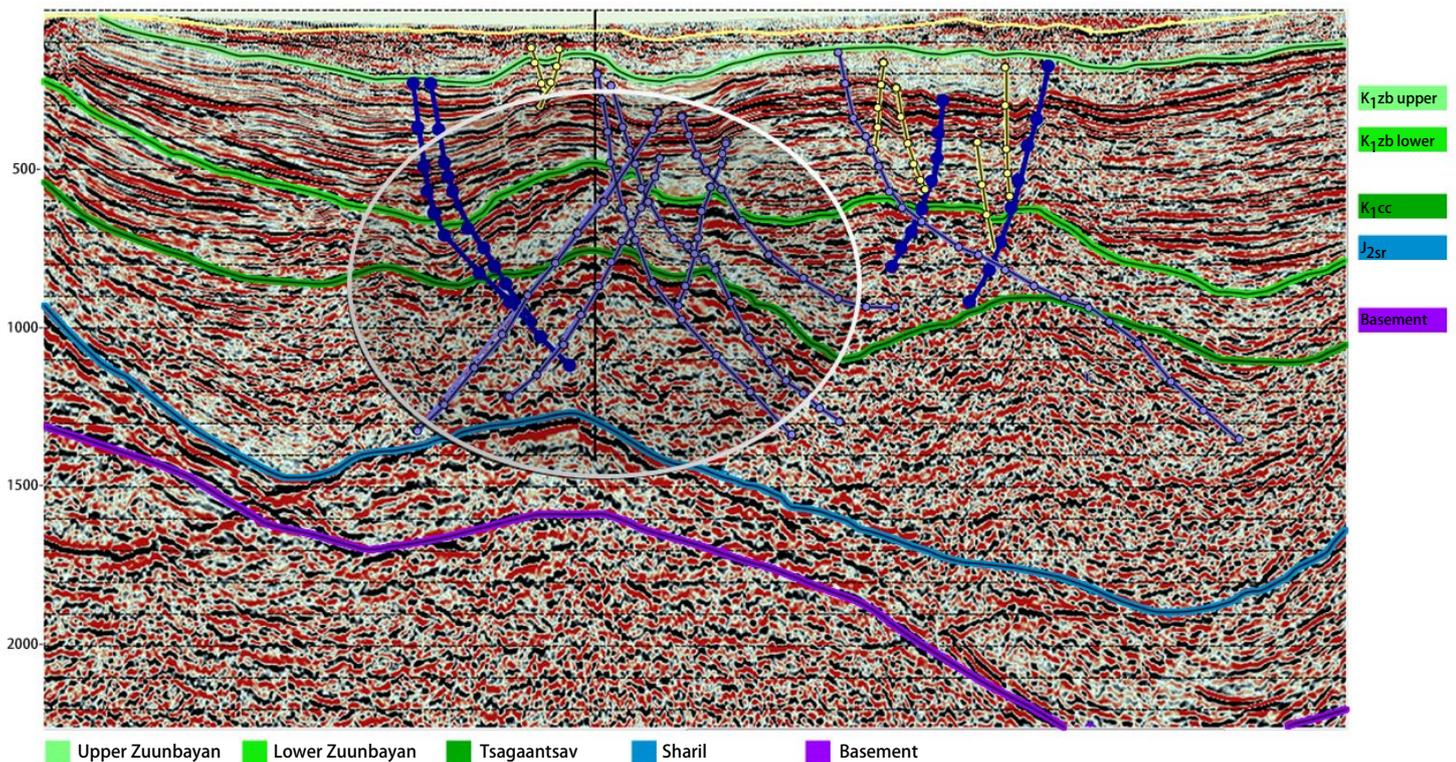


Sample seismic line: TB Basin 2013-01



Primary and Secondary Reservoir Horizons

Sample seismic line: TB Basin 2013-02

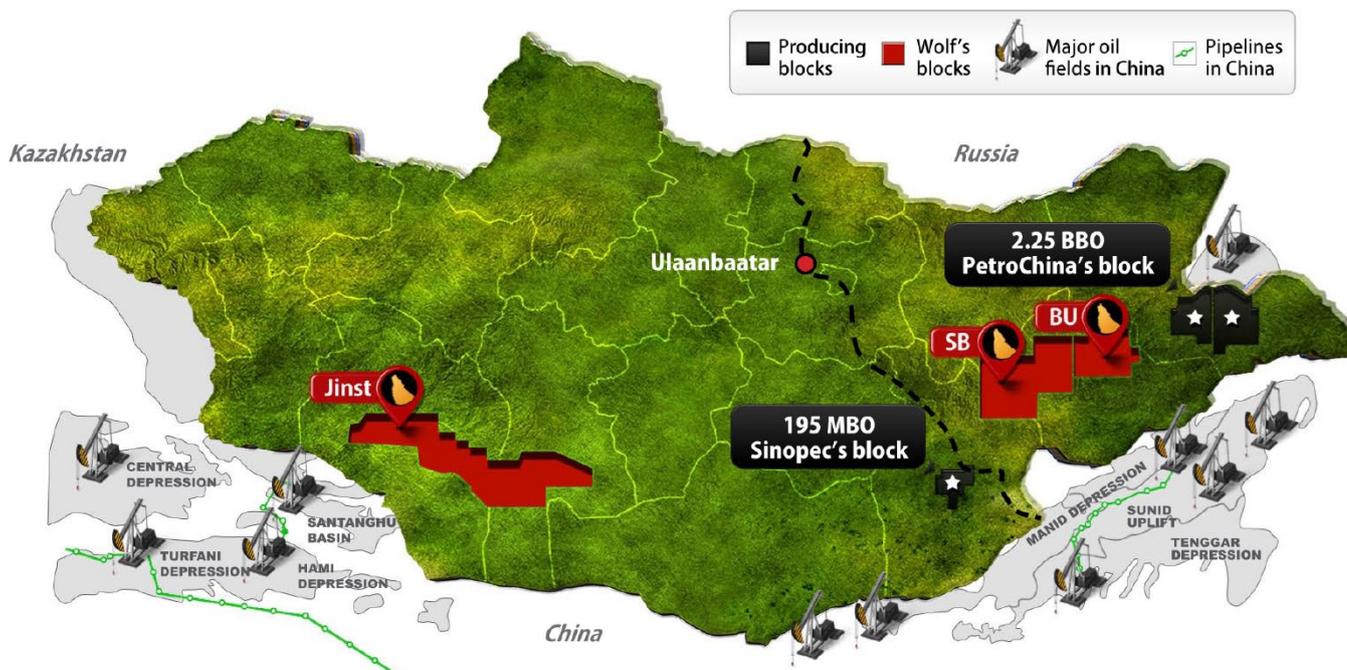


Primary and Secondary Reservoir Horizons

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 km² (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 km²
Proven and producing region

One of the Premier Oil Blocks in Mongolia.

Drill Ready Prospects !
Farm-in Opportunities !

✓ **BU block (100%)**
10,000 km²
Proven and producing region

Proximal to multi billion barrel producing fields in Mongolia.

22 Lead targets identified.
Resources being estimated.

✓ **Jinst block (100%)**
41,000 km²
Under explored frontier region

The largest petroleum exploration block in Mongolia.

Proximal to multi billion producing oil fields in China.

The effective date of the prospective resource estimates detailed in the Announcement is 04 April 2014.

In accordance with ASX Listing Rule 5.42, the Company confirms that the prospective resources information contained in this document and Announcement 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 in this release.

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 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. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons;

Throughout MHA's work, the P90 value from a particular Monte Carlo distribution (90% of all realizations were equal to or greater than this value) was taken as the low estimate. The P50 median value of the distribution (half of all realizations were smaller, half were greater) was used as the best estimate of the prospective resource. The P10 value of the distribution (10% of all realizations were equal to or greater than this value) was utilized as the high estimate.

Although the risk of development currently appears low, it was not quantified by MHA. From MHA's perspective, the risk of development for these two sub basins now depends primarily on government policy and other above ground constraints which are outside the scope of MHA.

The risk of a formation being charged with hydrocarbons, i.e., the risk of a discovery, was captured with the hydrocarbon fill factor (chance of trap being filled with hydrocarbons or risk of discovery). Based on current geoscience interpretations, the oil risk factor in both the Lower Zuunbayan and Tsagaantsav formations was assumed to be a uniform distribution ranging from 0 (no oil) to 1 (certain oil) in UU and TV. In Talbulag the hydrocarbon fill factor distribution was terminated at 0.80 to reflect increased hydrocarbon risk.

The information in this announcement relating to petroleum resources.

MHA Petroleum Consultants, LLC has estimated prospective resource in the Talbulag subbasin 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 Talbulag basin are estimated to be 332.2 million barrels, respectively.

Oil prospective resources for the Talbulag subbasin 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.