

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of CNSX Issuer: **Woulfe Mining Corp.** (the "Company" or the "Issuer").

Trading Symbol: **WOF**

Number of Outstanding Listed Securities: **367,528,053**

Date: **July 8, 2015**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the CNSX Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the CNSX.ca website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the CNSX Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **Report on Business**

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1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

**The Company is in the business of acquiring and developing mineral resource projects within South Korea with properties that include tungsten, gold, silver and molybdenum. The assets secured have known historical mineralization.**

**The Company, through its wholly-owned subsidiary Sangdong Mining Corporation, is dedicated to developing the Sangdong tungsten-molybdenum mine which was historically one of the largest tungsten mines in the world and one of the few long life, high-grade tungsten deposits located outside of China.**

### **Proposed Merger**

**As disclosed in a news release dated July 7, 2015, Almonty Industries Inc. (TSX-V: All) ("Almonty") and Woulfe announced that they have entered into an arrangement agreement (the "Arrangement Agreement"), pursuant to which Almonty and Woulfe will proceed with a business combination in which Almonty will acquire all of the outstanding common shares of Woulfe by way of a court approved plan of arrangement ("Arrangement").**

### **Transaction Highlights:**

- *The offer price represents a 16.7% premium to the closing price of the common shares of Woulfe on the Canadian Stock Exchange on July 6, 2015.*
- *The proposed Arrangement has received unanimous approval of the board of directors of Almonty (Lewis Black abstaining).*
- *The proposed Arrangement has received unanimous approval of the board of directors of Woulfe (Lewis Black abstaining), acting on advice of a special committee comprised of four independent directors (the "**Special Committee**") after consultation with independent financial and legal advisors.*
- *The Special Committee's financial advisor, Jacob Securities Inc., provided an independent fairness opinion and has concluded that the consideration to be received by shareholders of Woulfe (other than Almonty and its affiliates) is fair, from a financial point of view, to such shareholders.*
- *The proposed Arrangement delivers a premium to Woulfe shareholders and the ability to unlock value in Almonty going forward. Almonty has a proven management team with a strong track record of operational success. Almonty's assets are comprised of two producing mines in Australia and Spain producing more than 1,800 tonnes of Tungsten per year.*
- *The proposed Arrangement is expected to close in early September 2015, subject to*

*satisfaction of certain customary conditions.*

Pursuant to the Arrangement Agreement, on closing each common share of Woulfe will be exchanged for 0.1029 of a common share of Almonty. Based on Almonty's share price on July 6, 2015, this represents total consideration of \$0.07 per Woulfe share and a premium of 16.7% to Woulfe's closing price on July 6, 2015. Upon completion of the Arrangement, Woulfe shareholders will own approximately 40.2% of the combined businesses.

The proposed business combination transaction will be carried out by way of a plan of arrangement under the provisions of the *Business Corporations Act* (British Columbia). The implementation of the Arrangement will be subject to approval of the TSX Venture Exchange, the approval of the Supreme Court of British Columbia and the favourable vote of shareholders of Woulfe at a special meeting, expected to be held on or before September 8, 2015. In order to obtain the required shareholder approval, a favourable vote of 66 2/3% of the votes cast at the meeting, together with minority approval in accordance with Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (the "Woulfe Shareholder Approval") will be required. Pursuant to the terms of the Arrangement Agreement, the proposed Arrangement is also subject to the satisfaction of certain closing conditions customary for transactions of this nature.

The Arrangement Agreement also provides for customary support and non-solicitation covenants from Woulfe (subject to standard "fiduciary out" provisions that entitle Woulfe to accept a superior proposal and a five business day "right to match" in favour of Almonty). The Arrangement Agreement also provides for the payment of a termination fee of \$770,000, representing approximately 3% of the equity value of Woulfe, to Almonty if the proposed Arrangement is not completed in certain specified circumstances.

The board of directors of each of Almonty and Woulfe, Lewis Black abstaining, unanimously approved the terms of the proposed Arrangement and in the case of the Woulfe board recommend that its shareholders vote in favour of the proposed Arrangement. In the case of Woulfe, (i) the Special Committee was formed to consider the proposed Arrangement and make a recommendation to the board of directors of Woulfe; and (ii) Lewis Black declared a conflict of interest and did not participate in any discussions regarding, or approval of, the proposed Arrangement. Jacob Securities Inc. was retained by the Special Committee to provide an independent fairness opinion and has concluded that the consideration to be received by shareholders of Woulfe (other than Almonty and its affiliates) is fair, from a financial point of view, to such shareholders. In the case of Almonty, Lewis Black declared his interest and did not vote on the

approval of the proposed Arrangement. Almonty owns 29,497,229 common shares in the capital of Woulfe, representing approximately 8% of the issued and outstanding common shares and holds approximately 18.5% of the issued and outstanding common shares of Woulfe on a partially diluted basis.

The terms and conditions for the Arrangement Agreement will be summarized in Woulfe's management information circular, which is expected to be filed on SEDAR and mailed to shareholders of Woulfe in early August 2015. If the Arrangement is approved by shareholders of Woulfe, it is anticipated that the Arrangement will be completed in early September 2015.

Copies of the Arrangement Agreement and certain related documents will be filed with the Canadian securities regulators and will be available on the SEDAR website at [www.sedar.com](http://www.sedar.com). The Woulfe management information circular will also be available at [www.sedar.com](http://www.sedar.com).

2. Provide a general overview and discussion of the activities of management.

On July 6, 2015 the Company announced the completion of its NI 43-101 compliant 2015 Resource Update and Feasibility Study for the Sangdong tungsten project, in the Republic of Korea. This study enhances the economic and technical viability of the project and increases the confidence that the Sangdong Mine will be one of the most robust and competitive tungsten mines, outside of China. The 2015 updated resource estimate was prepared by Tetra Tech with an effective date of June 1, 2015. The 2015 Feasibility Study components were prepared by a number of consultants, all co-ordinated by A-Z Mining Professionals Ltd. ("A-Z Mining"), of Canada and also has an effective date of June 1, 2015. A detailed summary of the Feasibility Study in the form of a technical report has been filed and is available under the Company's profile on SEDAR.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

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## Resource Update

The Tetra Tech 2015 resource estimate referred to in Section 1 above includes the 2013 Phase 4 drilling program (sufficient for the purposes of this Feasibility Study). Subsequently performed Phase 5 detailed drilling will be included in a mining model used for detailed mine planning.

**Tetra Tech NI 43-101 Compliant Resource Estimate at 0.15% WO<sub>3</sub> Cut-off Grade above 600 mrl:**

Category/Zone	Tonnes	Grade %WO <sub>3</sub>
<b>Indicated</b>		
F2	2,140,000	0.62
F3	2,040,000	0.62
Main	5,120,000	0.46
<b>Total Indicated</b>	<b>9,300,000</b>	<b>0.53</b>
<b>Inferred</b>		
F2	900,000	0.45
F3	800,000	0.45
Halo	8,300,000	0.28
Hangingwall	24,700,000	0.42
<b>Total Inferred</b>	<b>34,700,000</b>	<b>0.39</b>

Woulfe and A-Z Mining have not retained the AMC Consultants Pty. Ltd. resource model, referred to in past press releases (October 15, 2014 and thereafter), based on a review of their technical methodology and such resource model should no longer be relied upon. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The resource is only reported above -3 level (600mrl). -3 level to the bottom of the mine (approximately an additional 18 levels) is flooded and there is no current plan to dewater to this depth, therefore this mineralization has not been assessed and is not reported as resource. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.

The quantity and grade of reported Inferred resources in this estimate are conceptual in nature and there has been insufficient exploration to define these Inferred resources as an Indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource category.

## 2015 Feasibility Study Highlights

**FORECAST PRE-TAX FINANCIAL RESULTS**  
**(Based on 65% WO<sub>3</sub> Concentrate Prices)**

	Concentrate Price (\$US)		
	\$15,000/t (\$290/mtu APT)	\$18,200/t (\$350/mtu APT)	\$21,000/t (\$400/mtu APT)
Reserves F2 & F3	3.9 million tonnes @ 0.610% WO <sub>3</sub>		
Reserves Main	2.0 million tonnes @ 0.492% WO <sub>3</sub>		
Total Revenue WO <sub>3</sub> Concentrate**	\$US626 M	\$US760 M	\$US876 M
Total Operating Margin	\$US333 M	\$US466 M	\$US583 M
Pre-Tax IRR	50%	70%	87%
Pre-Tax NPV @ 8% Discount Rate	\$US130 M	\$US209 M	\$US278 M
Payback Period	1.7 years	1.3 years	1.1 years
Annual Production Rate (tonnes)	640,000	640,000	640,000
WO <sub>3</sub> Processing Plant Recovery Rate	81%	81%	81%
Average Annual WO <sub>3</sub> Concentrate Production (tonnes)	4,393	4,393	4,393
Pre-Production Capital Expenditures***	\$US62.7 M	\$US62.7 M	\$US62.7 M
Mine Life (years)	9.5	9.5	9.5

\* F2, F3 & Main Zones, 4 levels out of 20 levels, at a cutoff grade of 0.275% WO<sub>3</sub>.

\*\* No APT downstream minority revenue participation.

\*\*\*Capex using contractor mining equipment and confirmed major processing equipment supplier prices. Includes average 10% contingency and working capital.

**Based on the June 2015 spot price of approximately \$US13,000 per tonne of 65% WO<sub>3</sub> concentrate (\$US247/mtu APT), the Sangdong Project pre-tax IRR and NPV (8% discount rate) are 36% and \$US81 million respectively.**

**Malcolm Buck, P. Eng. of A-Z Mining Professionals Ltd., a “Qualified Person” under National Instrument 43-101, reviewed the information that forms the basis of the written disclosure above.**

**See news release dated July 6, 2015 for additional disclosure.**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**N/A**

5. Describe any new business relationships entered into between the Issuer, the Issuer’s affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**See section 1 above for a discussion regarding a proposed merger between the Company and Almonty Industries Inc.**

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**N/A**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

**N/A**

8. Describe the acquisition of new customers or loss of customers.

**N/A**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

**N/A**

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

**N/A**

11. Report on any labour disputes and resolutions of those disputes if applicable.

**N/A**

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

**N/A**

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**On June 4, 2015, the Company announced that it has completed its agreement with Almonty Industries Inc. ("Almonty") for a non-brokered private placement of \$1 million in principal amount of convertible unsecured subordinated debentures at a price of \$1,000 per debenture. The debentures have an interest rate of 12% per annum, payable quarterly in arrears. The Company will have the option to satisfy all, or a portion of, its interest payment obligations by delivering to the holder common shares of the Company at a price equal to the market price (as defined in the Canadian Securities Exchange Corporate Finance Manual) of the Company's common shares on the interest settlement date. The debentures will mature on June 4, 2016.**

**Each \$1,000 principal amount of the debentures will be convertible at the option of the holder into 16,667 common shares of the Company.**

**The Company intends to use the net proceeds of the offering for working capital purposes. The debentures and the underlying common shares are subject to a four-month hold period expiring on Oct. 5, 2015.**

14. Provide details of any securities issued and options or warrants granted.

**On June 30, 2015, the Company returned 439,214 common shares to Treasury as they were voluntarily surrendered for cancellation.**

*(1) State aggregate proceeds and intended allocation of proceeds.*

**N/A**

15. Provide details of any loans to or by Related Persons.

**N/A**

16. Provide details of any changes in directors, officers or committee members.

**Under the terms of the agreements relating to the debentures (as disclosed in section 13 above), Almonty was granted the right to nominate one member to the board of directors of Woulfe for so long as Almonty holds at least 5 per cent of Woulfe's issued and outstanding shares.**

**In accordance with this right, on June 4, 2015, Woulfe appointed Mr. Lewis Black as chief executive officer and to the board of directors. In addition, Antonio Correa de Sá and Michael Galego were appointed to the board of directors of Woulfe.**

**Mr. Black is the chairman, president and CEO of Almonty. Mr. Black is also currently a partner of Almonty Partners LLC and has extensive experience in the tungsten mining industry. From June, 2005, to December, 2007, he was chairman and chief executive officer of Primary Metals Inc., an exchange-listed tungsten mining company, and he was formerly head of sales and marketing for SC Mining Tungsten Thailand. Mr. Black holds a BA (honours) from Manchester University and is a former vice-president of the International Tungsten Industry Association.**

**Mr. Correa de Sá is currently Chairman of the Board and Managing Director of Beralt Tin and Wolfram (Portugal) S.A. in a position that he has held since 2008. Mr. Correa de Sá is a mining engineer and has worked for numerous mining companies since graduating from Lisbon Technical Institute in 1969.**



Mr. Galego is a lawyer with more than ten years of M&A and corporate finance experience. He has been Deputy General Counsel and Secretary of Pacific Rubiales Energy Corp. (TSX -- PRE) since June 2010 and General Counsel and Secretary of CGX Energy Inc. (TSXV -- OYL) since April 2013. Mr. Galego is a member of the Board of Directors of the Canadian Liver Foundation and a member of the Institute of Corporate Directors. Prior to joining Pacific Rubiales, Mr. Galego acted as legal counsel to several public and private companies operating in the Latin American resource sector, including Gran Colombia Gold Corp., Pacific Infrastructure Inc. and PetroMagdalena Energy Corp. Mr. Galego began his legal career as an associate in the business law department of Osler, Hoskin & Harcourt LLP.

Concurrent with the new appointments, Michel Gaucher, Mark Goodman and David Whyte tendered their resignations to the board. Woulfe Mining would like to extend its gratitude to each of Mr. Gaucher, Mr. Goodman and Mr. Whyte for their tenure and their respective contributions to the Company.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The Company's principal property is located in South Korea. Consequently, the Company is subject to certain risks associated with foreign ownership, including currency, inflation and political risk.

The Company operates in the mining industry which is subject to numerous significant risks.

The Company is subject to various risks and uncertainties in its business. In particular, the Company is subject to:

- fluctuating commodity markets, tungsten prices and currency exchange rates;
- risks relating to underground mining development;
- permitting risks and general mining risks;
- other risks affecting the operation and economic viability of the Sangdong project;
- environmental requirements and reclamation costs; and
- risks regarding liquidity, availability of additional financing to fund capital expenditures and/or operations and going concern.

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated July 8, 2015.

Mark Gelmon  
Name of Director or Senior  
Officer

/s/ "Mark Gelmon"  
Signature  
Chief Financial Officer  
Official Capacity

<b>Issuer Details</b> Name of Issuer	For Month End	Date of Report
<b>Woulfe Mining Corp.</b>	<b>June, 2015</b>	<b>July 8, 2015</b>
Issuer Address		
408 – 837 West Hastings Street		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Vancouver, BC, V6C 3N6	604-684-6242	604-684-6264
Contact Name	Contact Position Corp. Secretary	Contact Telephone No.
Marion McGrath		604-684-6264 ext 2
Contact Email Address mcgrath@iocorporate.com	Web Site Address www.woulfemining.com	