

# **Woulfe Announces \$4.0 Million Convertible Debt Offering; Filing of Application for Listing of Common Shares on CSE; Closing of \$350,000 Loan**

January 27, 2014 (Source: Marketwired) – **Woulfe Mining Corp.** (“Woulfe” or the “Company”) (TSX VENTURE:WOF)(OTCQX:WFEMF)(FRANKFURT:OZ4) is pleased to announce it has arranged a non-brokered private placement of up to \$4.0 million in principal amount of convertible unsecured subordinated debentures (the “Offering”) at a price of \$1,000 per debenture (“Debentures”). The Debentures will have an interest rate of 12% per year, payable monthly 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 equal to the Market Price (as defined in the TSX Venture Exchange Corporate Finance Manual) of the Company’s common shares on the interest settlement date. The Debentures will mature and be repayable on December 31, 2016.

Each \$1,000 principal amount of the Debentures will be convertible at the option of the holder into 7,692 common shares (each a “Share”) or 7,692 preferred shares (each a “Preferred Share”) of Woulfe, representing a conversion price of \$0.13 per Share or Preferred Share (the “Conversion Price”), as the case may be. Each \$1,000 debenture will also include 7,692 common share purchase warrants of the Company (each a “Warrant”). Each Warrant shall entitle the holder thereof to acquire one Share at a price of \$0.13 per Share for a period of 60 months from the closing of the Offering.

The Preferred Shares shall have a par value of \$0.13 per Preferred Share. The Preferred Shares will also have (i) voting rights equivalent to the common shares, (ii) priority over the common shares in relation to distribution of the Company's assets in the event of liquidation, (iii) a right of conversion into common shares of the Company on a one for one basis at any time; and (iv) a fixed dividend rate of 12% of par value per annum, payable monthly. The Company will have the option to satisfy, all or a portion of its interest payment obligations by delivering to the Preferred Shareholder common shares of the Company at a price equal to equal to the Market Price (as defined in the TSX Venture Exchange Corporate Finance Manual) of the Company's common shares on the dividend settlement date. In the event of a 'change in control' of the Company, the holder may require the Preferred Shares be redeemed by the Company, in whole or in part at a redemption price of \$0.143 per Preferred Share, representing par value of the Preferred Shares plus a 10% premium. The Company will, as soon as practicable, call a shareholder meeting of the Company for the purposes of approving the creation of the class of Preferred Shares.

The Company has agreed to pay Dundee Securities Ltd. an advisory fee of 10% of the gross proceeds from the sale of the Debentures forming the Offering payable in units (each a "Unit") at a price of \$0.13 per Unit. Each Unit will comprise one Share and one Warrant.

The Company intends to use the net proceeds of the Offering for the completion of the proposed \$6 million work program on the Sangdong project as previously announced on October 28, 2013, which will include diamond drilling to better define the ore body on the project, as well as additional work on mine design, mining method selection, metallurgical process design, and much de-risking of other technical aspects of the project. The balance of the net proceeds of the Offering will be utilized to fund the Company's working capital deficit and

budgeted general and administrative costs for 2014. The Offering is subject to regulatory approval.

Dundee Corporation, which owns, directly or indirectly, approximately 15.28% of the outstanding common shares of the Company on undiluted basis and 21.51% of the outstanding common shares of the Company on a partially diluted basis, intends to subscribe for the full amount of the Debentures being offered. In association with its participation in the Offering, Dundee Corporation will be granted a right to nominate for election to the board of directors of the Company at any meeting of shareholders where directors are to be elected, a majority of the number of the directors, provide such nominees are acceptable to regulatory authorities, for so long as Dundee Corporation holds a minimum of 5% of the issued and outstanding shares of the Company.

The participation of Dundee Corporation as a subscriber to the Offering will constitute a related party transaction under Multilateral Instrument 61-101 ("MI 61-101"). The Company has determined that the distribution of an information circular to shareholders, the preparation and distribution of a formal valuation, and the seeking of shareholder approval of the loan are not necessary under MI 61-101 (including TSX-V Policy 5.9, which incorporates such policy by reference), as the Company intends to rely on the exemptions found in sections 5.5(1)(a) and 5.7(1)(a) of MI 61-101. The aggregate principal amount of the Offering represents less than 9% of the Company's market capitalization. All of the disinterested directors of the Company, being all of the directors other than Ned Goodman, approved the Offering.

In other news, the Company announces that it has submitted an application to list its common shares on the Canadian Securities Exchange upon completion of the Offering.

Finally, the Company confirms it has closed the \$350,000 unsecured convertible loan from Dundee Corporation as

announced on January 22, 2014 (the "Loan"). The proceeds of the Loan will be utilized for working capital for the Company.

On Behalf of the Board of Directors

Woulfe Mining Corp.

Hubert Marleau, Interim Chief Executive Officer and Director

**About Woulfe Mining Corp.** – Woulfe Mining Corp., 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.

Woulfe Mining Corp. is a TSX-V listed company.

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*Forward-looking statements and forward-looking information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. We have made certain assumptions about the forward-looking statements and information and even though our management believes that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that the forward-looking statement or information will prove to be accurate. Furthermore, should one or more of the risks, uncertainties or other factors materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking*

*statements or information. These risks, uncertainties and other factors include, among others, the following: commodity price volatility; discrepancies between actual and estimated production, mineral reserves and resources and metallurgical recoveries; mining operational and development risk; litigation risks; regulatory restrictions, including environmental regulatory restrictions and liability; failure to complete the strategic arrangement described in this release, including because of the failure to satisfy the conditions to closing of the transaction, risks of sovereign investment; currency fluctuations; speculative nature of mineral exploration; global economic climate; dilution; share price volatility; competition; loss of key employees; additional funding requirements.*

*There can be no assurance that forward-looking statements or information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, you should not place undue reliance on the forward-looking statements or information contained herein. Except as required by law, we do not expect to update forward-looking statements and information continually as conditions change and you are referred to the full discussion of the Company's business contained in the Company's reports filed with the appropriate regulatory authorities.*

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