

TORONTO, ONTARIO--(Marketwired - Aug 27, 2015) - [Buffalo Coal Corp.](#) (TSX:BUF)(JSE:BUC) ("Buffalo" or "the Company") advises shareholders that it has received a notice from the Minister of Mineral Resources in South Africa ("the Minister") withdrawing the Director-General's decision to grant Mining Right 301 ("MR301"), as well as withdrawal of the approval by the Regional Manager of the Environmental Management Plan ("EMP") in respect of that right.

MR301, which is one of the rights underlying Buffalo's Aviemore mine, was granted in June 2013 to Leeuw Mining and Exploration Proprietary Limited ("Leeuw"). At that time Buffalo, through Zinoju Coal Proprietary Limited, acquired the right from Leeuw. The reasons given by the Minister for the withdrawal of the right are procedural issues in respect of the award process, in relation to an objection received from Avemore Trust in October 2013 against the awarding of the right.

Buffalo intends to apply to court for a review of the Minister's decision to withdraw the grant of MR301 and the approval of the EMP ("Review Application").

Pending the institution of proceedings pertaining to the Review Application, the Company, on the advice of senior counsel, has instructed its attorneys and senior counsel to attend to the institution of proceedings to seek urgent relief to -

- interdict the Minister from awarding MR301 to any other party;
- obtain a declaratory order that the -
  - Company may continue to mine in terms of MR301;
  - the Minister's decision is of no force or effect;

pending the outcome of the Review Application ("Urgent Application").

Senior counsel has advised that it can be expected that the Urgent Application will be heard during the course of the week commencing on 31 August 2015, and that there is a strong prospect of the Company being successful in the Urgent Application.

Pending the outcome of the Urgent Application, mining operations in the MR301 area have been relocated to an adjacent mining right area and the company has sufficient stock on hand to service customers in the short term.

Further details will be provided in due course.

#### *About Buffalo*

Buffalo is a coal producer in southern Africa. It holds a majority interest in two operating mines through its 100% interest in Buffalo Coal Dundee (Pty) Ltd, a South African company which has a 70% interest in Zinoju Coal (Pty) Ltd ("Zinoju"). Zinoju holds a 100% interest in the Magdalena bituminous mine and the Aviemore anthracite mine in South Africa. Buffalo has an experienced coal-focused management team.

#### *Cautionary Notes:*

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the future financial or operating performance of Buffalo and its projects. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Buffalo to be materially different from those expressed or implied by such forward-looking information, including but not limited to: general business, economic, competitive, foreign operations, political and social uncertainties; a history of operating losses; delay or failure to receive board or regulatory approvals; timing and availability of external financing on acceptable terms; not realizing on the potential benefits of the proposed transaction; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of mineral products; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; and, delays in obtaining governmental approvals or required financing or in the completion of activities. Although Buffalo has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. Buffalo does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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