

TORONTO, ONTARIO--(Marketwired - Jun 2, 2016) - [Buffalo Coal Corp.](#) (TSX:BUF)(JSE:BUC) ("Buffalo" or "the Company") announces that its majority shareholder, Resource Capital Fund V L.P. ("RCF"), has informed the Company that it is undergoing a review of its strategic options in respect of its investment in the Company, and has appointed an advisor to assist in this regard.

The Company cautions that there are no guarantees that the strategic review will result in a transaction or if a transaction is undertaken, as to its terms or timing. The Company does not intend to disclose developments with respect to the strategic review process unless and until a definitive transaction or strategic option has been approved, unless otherwise required by law or disclosure of which is deemed appropriate. Shareholders of the Company are advised to exercise caution when dealing in the Company's securities until a further announcement is made.

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, a South African company which has a 70% interest in 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, the outcome of the strategic review process being undertaken by RCF. 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 any 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.

Neither the Toronto Venture Exchange, nor its regulation services provider (as that term is defined in the policies of the exchange), accepts responsibility for the adequacy or accuracy of this release.

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