This document is important and requires your immediate attention. If you are in doubt as to how to deal with it, you are advised to consult your investment dealer, stockbroker, bank manager, lawyer or other professional advisor.

October 5, 2006

THE BUFFALO OIL CORPORATION
NOTICE OF EXTENSION
of the
OFFER TO PURCHASE
all of the issued and outstanding common shares of
POCATERRA ENERGY INC.
on the basis of

$0.915 in cash

or

0.538 of a Buffalo Share

or

0.2 of a Buffalo Share and $.0.575 in cash

This is a notice of extension (the "Notice") to the offer by The Buffalo Oil Corporation (the "Offeror") to purchase all of the issued and outstanding common shares (the "Pocaterra Shares") of Pocaterra Energy Inc. ("Pocaterra"), including the Pocaterra Shares which become outstanding upon exercise of options to acquire Pocaterra Shares, set forth in the offer to purchase dated August 25, 2006 and the accompanying take-over bid circular (the "Original Offer"). The Offeror hereby gives notice that it is extending the Original Offer as set forth in this Notice. See "Extension of the Offer" herein. The Original Offer, as amended and extended by this Notice, is herein referred to as the "Offer". Capitalized terms used herein but not defined in this Notice have the meanings set out in the Original Offer.

THE OFFER HAS BEEN EXTENDED AND IS NOW OPEN FOR ACCEPTANCE UNTIL 5:00 P.M. (CALGARY TIME) ON OCTOBER 17, 2006. THE OFFEROR HAS GIVEN NOTICE TO THE DEPOSITARY THAT ALL OF THE CONDITIONS OF THE OFFER HAVE BEEN MET AND DIRECTED THE DEPOSITARY TO TAKE UP ALL OF THE POCATERRA SHARES VALIDLY DEPOSITED AT THE EXPIRY TIME ON OCTOBER 2, 2006.

Prior to the Expiry Time on October 2, 2006, the Offeror: (i) confirmed that all of the conditions of the Offer had been satisfied or waived; (ii) took up all of the Pocaterra Shares validly deposited at that time; and (iii) advised the Depositary that the Expiry Time under the Offer had been extended to 5:00 p.m. (Calgary time) on Tuesday, October 17, 2006. The Offeror now owns approximately 84.6% of the issued and outstanding shares of Pocaterra.

Holders of Pocaterra Shares ("Shareholders") who have validly deposited and not withdrawn their Pocaterra Shares need take no further action to accept the Offer. Shareholders who wish to accept the Offer must properly complete and duly execute the Letter of Transmittal (which is printed on yellow paper) and deposit it, together with certificates representing their Pocaterra Shares and all other documents required by the Letter of Transmittal, at the applicable office of CIBC Mellon Trust Company., in its capacity as Depositary, shown on the Letter of Transmittal and on the back page of this document, all in accordance with the transmittal instructions in the Letter of Transmittal. Alternatively, Shareholders may request such Shareholder's broker, investment dealer, bank, trust company or other nominee to effect the transaction for such Shareholder. Persons whose Pocaterra Shares are registered in the name of a nominee should contact their broker, investment dealer, bank, trust company or other nominee for assistance in depositing their Pocaterra Shares to the Offer. See Section 3 of the Original Offer, "Manner of Acceptance".

Alternatively, a holder of Pocaterra Shares who wishes to deposit such Pocaterra Shares and whose certificates for such Pocaterra Shares are not immediately available may deposit such Pocaterra Shares by following the procedure for guaranteed delivery set forth in Section 3 of the Original Offer, "Manner of Acceptance".

Questions and requests for assistance may be directed to the Depositary and additional copies of this document, the Original Offer, the Letter of Transmittal and the Notice of Guaranteed Delivery (which is printed on blue paper) may be obtained, without charge, on request from the Depositary at the address shown in the Letter of Transmittal and on the back page of this document.

The Depositary for the Offer is:
CIBC Mellon Trust Company
199 Bay Street
Commerce Court West, Securities Level
Toronto, Ontario
M5L 1G9

Telephone: (416) 643-5500
Toll Free: 1-800-387-0825

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

THIS TRANSACTION HAS NOT BEEN APPROVED OR DISAPPROVED BY ANY SECURITIES REGULATORY AUTHORITY IN CANADA OR THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS ANY SECURITIES REGULATORY AUTHORITY IN CANADA OR THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

The Offer is made for the securities of a Canadian company. It may be difficult for Shareholders to enforce their rights and any claim Shareholders may have arising under the United States federal or state securities laws, as the Offeror and Pocaterra are located in Canada, and some or all of their officers and directors may be residents of Canada. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of U.S. federal or state securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgment.

It may be difficult for Shareholders to enforce their rights and any claim they may have arising under the United States federal securities laws since the Offeror and Pocaterra are located in Canada, and some or all of their officers and directors may be residents of Canada. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgment.

Shareholders should be aware that the Offferor or its affiliates, directly or indirectly, may, otherwise than under the Offer, bid for or make purchases of Pocaterra's securities subject to the Offer or certain related securities during the Offer Period, such as in privately negotiated purchases, as permitted by applicable laws or regulations of Canada or its provinces or territories. Shareholders should be aware that a tender of Pocaterra Shares under the Offer by, or the acquisition by the Offeror of Pocaterra Shares from, a holder of Pocaterra Shares may have tax consequences both in the United States and Canada. Such consequences for Shareholders who are resident in or citizens of the United States are not fully described herein. Such Shareholders are urged to consult their own tax advisors.

CURRENCY

All references in this Notice to "dollars" or "$" are to Canadian dollars, unless otherwise indicated.

This document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer is not being made to, nor will deposits be accepted from or on behalf of, holders of Pocaterra Shares in any jurisdiction in which the making or acceptance thereof would not be in compliance with the laws of such jurisdiction. However, the Offeror may, in its sole discretion, take such action as it may deem necessary to extend the Offer to holders of Pocaterra Shares in such jurisdiction.

NOTICE OF EXTENSION

TO: THE SHAREHOLDERS OF POCATERRA ENERGY INC.

By notice to the Depositary dated October 2, 2006 and as set forth in this Notice, the Offeror is extending the Original Offer. Except as otherwise set forth in this Notice, the information, terms and conditions in the Original Offer continue to be applicable in all respects and this Notice should be read in conjunction therewith.

Prior to the Expiry Time of the Offer on October 2, 2006, approximately 10.1 million Pocaterra Share*s* were validly deposited and not withdrawn under the Offer. At that time, all of the conditions of the Offer had been fulfilled or waived and the Offeror took up all the Pocaterra Shares validly deposited pursuant to the Offer. The Offeror is extending the time for deposit under the Offer to permit the Shareholders who have not yet deposited their Pocaterra Shares under the Offer to do so.

1. Extension of the Offer

The Offeror has amended the Original Offer by extending the time during which the Offer is open for acceptance from 9:00 a.m. (Calgary time) on October 2, 2006 to 5:00 p.m. (Calgary time) on October 17, 2006. Accordingly, the definition of "Expiry Date" in the Offer has been amended to mean October 17, 2006.

2. Recent Developments

The Depositary advised the Offeror that, as at October 2, 2006, a total of approximately 10.1 million Pocaterra Shares were deposited and not withdrawn under the Offer representing approximately 85% of the outstanding Pocaterra Shares as of that date. The Offeror advised the Depositary that all of the conditions to the Offer had been satisfied or waived and instructed the Depositary to take up all of the Pocaterra Shares validly deposited and not withdrawn under the Offer at that time. Such Pocaterra Shares were taken up on October 2, 2006 and the Offeror will pay for those Pocaterra Shares promptly within three (3) days of the take up of such Pocaterra Shares. Pocaterra Shares deposited pursuant to the Offer prior to 9:00 a.m. (Calgary time) on October 2, 2006 may no longer be withdrawn.

The outstanding common shares of the Offeror ("Buffalo Shares") are listed and posted for trading on the TSX Venture Exchange (the "TSXV") under the symbol "BFO". On October 4, 2006, the last day of trading on the TSXV prior to the mailing of this Notice, the closing price of the Buffalo Shares and Pocaterra Shares on the TSXV was $1.56 and $0.94, respectively.

3. Time of Acceptance

The Offer is open for acceptance until, but not later than, 5:00 p.m. (Calgary time) on October 17, 2006. See Section 2 of the Original Offer "Time of Acceptance".

4. Manner of Acceptance

Pocaterra Shares may be deposited to the Offer in accordance with the provisions set forth in Section 3 of the Original Offer "Manner of Acceptance".

5. Take-up and Payment of Deposited Pocaterra Shares

The Offeror will take up and pay for Pocaterra Shares validly deposited under the Offer and not withdrawn as set forth in Section 6 of the Original Offer, "Take-Up and Payment for Deposited Pocaterra Shares".

6. Withdrawal of Deposited Pocaterra Shares

Shareholders have the right to withdraw Pocaterra Shares deposited pursuant to the Offer under circumstances and in the manner described in Section 7 of the Original Offer, "Withdrawal of Deposited Pocaterra Shares".

7. Consequential Amendments to Offer, Circular, Letter of Transmittal and Notice of Guaranteed Delivery

Consequential amendments in accordance with this Notice are deemed to be made where required to the Offer (including the Summary Term Sheet), the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery. Except as varied hereby, all terms of the Original Offer remain in effect, unamended.

8. Statutory Rights

Securities legislation in certain of the provinces and territories of Canada provides security holders of Pocaterra with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, if there is a misrepresentation in a circular or notice that is required to be delivered to such security holders. However, such rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

APPROVAL AND CERTIFICATE

The contents of this Notice have been approved, and the sending, communication or delivery thereof to the Shareholders has been authorized by the Board of Directors of the Offeror.

The Original Offer, as amended by this Notice, contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made. In addition, the foregoing does not contain any misrepresentation likely to affect the value or the market price of the securities which are the subject of the Offer.

DATED: October 5, 2006

THE BUFFALO OIL CORPORATION

(Signed) WILLIAM A. TRICKETT
Chief Executive Officer

(Signed) TREVOR G. PENFORD
President and Chief Financial Officer

On behalf of the Board of Directors

(Signed) RICHARD A. SHAW
Director

(Signed) GREGORY D. MOORE
Director

The Depositary for the Offer is:

CIBC MELLON TRUST COMPANY

By Mail

P.O. Box 1036
Adelaide Street Postal Station
Toronto, Ontario M5C   2K4

By Registered Mail,
Hand or Courier

199 Bay Street
Commerce Court West, Securities Level
Toronto, Ontario M5L 1G9

Telephone: (416) 643-5500

Toll Free: 1-800-387-0825
E-Mail: inquiries@cibcmellon.com

Any questions and requests for assistance may be directed by holders of Pocaterra Shares to the Depositary at their telephone numbers and locations set forth above. Additional copies of this Notice, the Offer and Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained from the Depositary.