



### **Issue of Equity and Director's Dealing**

**Toronto, Ontario – February 1, 2012:** Caledonia Mining Corporation (“Caledonia” or “the Company”) (TSX: CAL, NASDAQ-OTCQX: CALVF, AIM: CMCL) announces that on 30 May 2011, Stefan Hayden, Chief Executive Officer of Caledonia, was issued 380,000 new ordinary shares of no par value in the Company (“Ordinary Shares”) at a price of C\$0.09 per new Ordinary Share, conditional on these funds being received by the Company which they subsequently were.

Following this purchase, Stefan Hayden’s beneficial interest in the Company is 380,000 Ordinary Shares representing 0.076% of the Company's enlarged issued share capital.

The Company has applied for the new Ordinary Shares to be admitted to trading on AIM and dealings are expected to commence on 7 February 2012. Following this issue of equity, the Company has 500,549,303 Ordinary Shares in issue.

**Caledonia Mining Corporation**

Mark Learmonth  
Tel: + 27 11 447 2499  
[marklearmonth@caledoniamining.com](mailto:marklearmonth@caledoniamining.com)

**Collins Stewart Europe Limited**

John Prior / Sebastian Jones  
Tel: + 44 20 7523 8350

**Renmark Financial Communications Inc**

John Boidman or Dustin Buenaventura  
Tel: +1 514 939 3989 or +1 416 644 2020  
[jboidman@renmarkfinancial.com](mailto:jboidman@renmarkfinancial.com)  
[dbuenaventura@renmarkfinancial.com](mailto:dbuenaventura@renmarkfinancial.com)

**Collins Stewart LLC**

Dan Mintz  
Tel: +1 212 389 8022  
[DMintz@collinsstewartllc.com](mailto:DMintz@collinsstewartllc.com)

**Newgate Threadneedle Communications**

Laurence Read, tel +44 207 653 9855  
Beth Harris, tel +44 207 653 9853  
Terry Garrett, tel +44 207 653 9845

Further information regarding Caledonia’s exploration activities and operations along with its latest financials and Management Discussion and Analysis may be found at [www.caledoniamining.com](http://www.caledoniamining.com)

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