

CALEDONIA MINING CORPORATION

NEWS RELEASE

CALEDONIA ANNOUNCES FINANCING AND THE CANCELLATION OF THE SPRING HILLS AGREEMENTS

THURSDAY, APRIL 19TH. 2001, IMMEDIATE

Caledonia Mining Corporation ("Caledonia") of Toronto (TSE CAL) announces its intention to raise up to \$C 1,000,000 by means of a private placement by the issue of up to 17,000,000 units priced at \$C 0.06 each. Each unit is comprised of one common share and one common share purchase warrant ("warrant"). Each warrant entitles the holder to purchase an additional common share of Caledonia for \$C 0.075 during a period of 18 months following the closing date of the private placement. The units will be issued subject to the usual regulatory approvals.

Caledonia gave notice of default to Spring Hills Trading Limited ("Spring Hills") in March 2001 as explained in its News Release dated the 27th March 2001. Spring Hills has failed to remedy the defaults and Caledonia has cancelled the agreements. Caledonia is pursuing legal action to recover damages from Spring Hills. Caledonia is reviewing production alternatives for the Barbrook Mine.

Proceeds from the financing will be used for general corporate purposes, reduction of debt and, if required, to finance the Barbrook Mine back to production.

For further information, please contact Caledonia Mining Corporation:

S Hayden

Chairman, President & CEO
South Africa
Tel: (011-27-11) 447 2499
Fax: (011-27-11) 447 2554

James Johnstone

V-P Operations & COO
Canada
Tel: (1-905) 607 7543
Fax: (1-905) 607 9806

Chris Harvey

Technical Director
Canada
Tel: (1-905) 607 7543
Fax: (1-905) 607 9806

Or visit Caledonia on the Worldwide Web at <http://www.caledoniamining.com>