



**Blanket Mine's 10 MVA Standby Generating Installation commissioned and
refiling of first quarter financial statements to provide additional IFRS
information.**

Toronto, Ontario – May 30, 2011: Caledonia Mining Corporation (“Caledonia” or “the Company”) (TSX: CAL, NASDAQ-OTCBB: CALVF, AIM: CMCL)

Blanket Mine has successfully commissioned the 10 MVA generator power plant. The installation of the standby generator sets ensures that Blanket Mine is now self-sufficient and able to continue all its surface and underground operations in the event of power disruptions.

Subsequent to Caledonia filing its Q1 2011 results, the Ontario Securities Commission issued a release to all reporting issuers who have filed their first IFRS Q1 interim financial statements. As a result Caledonia has added an additional comparative condensed consolidated statement of changes in equity for the three month period ended March 31, 2010.

The revised Financial Statements have been filed on SEDAR and are available on Caledonia's website

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Further information regarding Caledonia's exploration activities and operations along with its latest financials may be found at www.caledoniamining.com.