



Blanket Gold Mine in Zimbabwe achieves record daily production.

Toronto, Ontario – September 8, 2011: Caledonia Mining Corporation (“Caledonia”) (TSX: CAL, NASDAQ-OTCBB: CALVF, AIM: CMCL) is pleased to report that the Blanket Gold Mine (“Blanket”) in Zimbabwe has broken its underground production record.

On 6th September 2011, Blanket’s No 4 Shaft hoisted 1,220 tonnes of ore and a further 141 tonnes of ore were hoisted via the Lima Shaft. This daily total ore production of 1,361 tonnes is significantly higher than Blanket’s target of 1,000 tonnes of ore per day and represents a new underground mining record for the mine, for which production records date back to 1906.

Commenting on this news, Stefan Hayden, Caledonia’s Chief Executive said: “This is a tremendous achievement by the management and employees at Blanket, who are to be heartily congratulated and bodes well for Blanket achieving its future production targets.”

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