



Caledonia Mining Corporation

Suite 4009 • 1 King Street West • Toronto
Ontario • Canada • M5H 1A1
Tel: +1(416) 369-9835
Fax: +1(416) 369-0449
www.caledoniamining.com

Caledonia Mining Corporation (TSX: CAL, OTCQX: CALVF, AIM: CMCL)

Share purchase

December 18, 2014. Caledonia Mining Corporation (“Caledonia”) announces that Mark Learmonth, Chief Financial Officer of the Company, has today purchased 27,500 ordinary shares in Caledonia at 36p per share.

Following this transaction, Mr Learmonth's total beneficial holding has increased to 194,230 ordinary shares representing 0.37 per cent of the issued ordinary share capital of Caledonia.

About Caledonia Mining

Following the implementation of indigenisation in Zimbabwe, Caledonia's primary asset is a 49% interest in an operating gold mine in Zimbabwe (“Blanket”). Caledonia's shares are listed in Canada on the Toronto Stock Exchange as “CAL”, on London's AIM as “CMCL” and are also traded on the American OTCQX as “CALVF”.

Caledonia is debt-free and at September 30, 2014 had cash of \$27.9m held with its bankers in the UK, Canada and South Africa. Blanket is a low-cost producer: in the 9 months ended September 30, 2014, Blanket's on-mine costs were US\$599 per ounce of gold produced and its all-in sustaining cost was US\$972 per ounce of gold produced. Caledonia expects to publish its result for the year to December 31, 2014 on March 31, 2015.

Caledonia Mining Corporation

Mark Learmonth
Tel: +27 11 447 2499
marklearmonth@caledoniamining.com

BlytheWeigh

Tim Blythe/Halimah Hussain/Camilla
Horsfall/George Yeomans
Tel: +44 20 7138 3204

Numis

John Prior/ Paul Gillam/ James
Black
Tel: +44 20 7260 1000

WH Ireland

Adrian Hadden/James Bavister
Tel: +44 20 7220 1751

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