

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

**January 21, 2016:** Caledonia Mining Corporation (“Caledonia”) announces that it was notified yesterday that James Johnstone, a non-executive director of Caledonia, has purchased 12,000 common shares in Caledonia at an average price of 84.875 Canadian cents per share.

Following this transaction, Mr Johnstone's total beneficial holding is 28,000 ordinary shares representing 0.05 per cent of the issued ordinary share capital of Caledonia.

For further information please contact:

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