

TORONTO, ONTARIO--(Marketwired - April 9, 2015) - [Caledonia Mining Corp.](#) ("Caledonia") (TSX:CAL) (OTCQX:CALVF) (AIM:CMCL) announces gold production and sales from its 49 per cent owned subsidiary, the Blanket Mine ("Blanket") in Zimbabwe, for the quarter ended March 31, 2015. All production numbers are expressed on a 100 per cent basis. Sales in Q1 2015 includes work-in-progress brought forward from the previous quarter; as usual there was no work-in-progress at the end of Q1 2015.

- 9,960 ounces of gold were produced during Q1 2015, representing a 4.4 per cent decrease on the gold produced in Q4 2014 (10,417 ounces) and a 2.7 per cent decrease on the gold produced in Q1 2014 (10,241 ounces).
- 10,770 ounces of gold were sold in Q1 2015, representing a 12.1 per cent increase on the ounces of gold sold in Q4 2014 and an 11.8 per cent decrease on the ounces of gold sold in Q1 of 2014.
- Targeted gold production for 2015 remains approximately 42,000 ounces

Commenting on the production for Q1 2015, Steve Curtis, Caledonia's Chief Executive Officer said:

"Production in Q1 2015 was over 98% of the target for the quarter. Target production in Q1 is lower than subsequent quarters due to the greater number of public holidays in the first quarter. It is also anticipated that production will increase somewhat in the second half of 2015 after the tramming loop on 22 Level has been completed, which will increase the underground haulage capacity. The tramming loop is on schedule for completion by the end of June 2015. The no 6 Winze is now 900 meters below surface as at the 8th of April and is still on track to be completed by the end of July 2015. The pre-sink at Central Shaft has commenced.

"We are confident that the revised investment plan, which was announced on November 3, 2014, will result in progressive increases in production from 2016 onwards when we expect to see the first production from below 750 meters - initially from the No. 6 Winze and subsequently from the Central shaft."

Caledonia expects that its results for Q1 2015 will be released on May 13, 2015.

Cautionary Note Concerning Forward-Looking Information

Information and statements contained in this news release that are not historical facts are "forward-looking information" within the meaning of applicable securities legislation that involve risks and uncertainties relating, but not limited to Caledonia's current expectations, intentions, plans, and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "target", "intend", "estimate", "could", "should", "may" and "will" or the negative of these terms or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Examples of forward-looking information in this news release include: production guidance, estimates of future/targeted production rates, and our plans and timing regarding further exploration and drilling and development. This forward-looking information is based, in part, on assumptions and factors that may change or prove to be incorrect, thus causing actual results, performance or achievements to be materially different from those expressed or implied by forward-looking information. Such factors and assumptions include, but are not limited to: failure to establish estimated resources and reserves, the grade and recovery of ore which is mined varying from estimates, success of future exploration and drilling programs, reliability of drilling, sampling and assay data, assumptions regarding the representativeness of mineralization being inaccurate, success of planned metallurgical test-work, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects and other factors.

Potential shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Such factors include, but are not limited to: risks relating to estimates of mineral reserves and mineral resources proving to be inaccurate, fluctuations in gold price, risks and hazards associated with the business of mineral exploration, development and mining, risks relating to the credit worthiness or financial condition of suppliers, refiners and other parties with whom the Company does business; inadequate insurance, or inability to obtain insurance, to cover these risks and hazards, employee relations; relationships with and claims by local communities and indigenous populations; political risk; availability and increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development, including the risks of obtaining or maintaining necessary licenses and permits, diminishing quantities or grades of mineral reserves as mining occurs; global financial condition, the actual results of current exploration activities, changes to conclusions of economic evaluations, and changes in project parameters to deal with unanticipated economic or other factors, risks of increased capital and operating costs, environmental, safety or regulatory risks, expropriation, the Company's title to properties including ownership thereof, increased competition in the mining industry for properties, equipment, qualified personnel and their costs, risks relating to the uncertainty of timing of events including targeted production rate increase and currency fluctuations. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. Caledonia undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

Contact

[Caledonia Mining Corp.](#)

Mark Learmonth

+27 11 447 2499

marklearmonth@caledoniamining.com

Numis

John Prior/ Paul Gillam/ James Black

+44 20 7260 1000

BlytheWeigh

Tim Blythe/ Halimah Hussain/ George Yeomans

+44 20 7138 3200

WH Ireland

Adrian Hadden/ James Bavister

+44 20 7220 1751