

23 July 2009



Caledon Resources plc

(‘Caledon’ or the ‘Company’)

Quarterly Report for period ending 30 June 2009

COOK MINE - PRODUCTION

	Quarter			Year to Date		
	June 2009	June 2008	Change	June 2009	June 2008	Change
	‘000 T’s	‘000 T’s	%	‘000 T’s	‘000 T’s	%
Raw coal production	129	127	+2%	304	222	+37%
Coking coal produced	91	83	+10%	209	149	+40%
Thermal coal produced	18	15	+20%	41	27	+52%
Coking coal sold	91	80	+14%	210	170	+24%
Thermal coal sold	13	15	-13%	20	30	-33%

Cook Mine Operations

Raw coal production was in line with the corresponding period in 2008 however saleable coal production was slightly higher due to washing raw coal on hand at the end of March 2009. Year to date sales are now running ahead of the previous guidance of a minimum of 400kt for 2009 and are now forecast to be in the range of 450-500kt.

As forecast in the last Quarterly Report, Cook’s coking coal contract price fell by a similar amount to the reported US\$172 fall in the headline coking coal price between BHP and its Japanese customers. As a result the new annual contract price beginning in April is approximately US\$107/t.

Minyango

As announced in the Quarterly Report dated 23 April 2009, the Company is carrying out an infill drilling program at Minyango. The focus of this program is to improve the knowledge of coal quality, Resource definition, and gas content and drainage characteristics.

Five holes were drilled during the quarter for a total of 1,312 metres. Composite samples from these holes are being prepared for coke testing with the results expected to be available late in the third quarter. A total of A\$819,000 was spent on Minyango during April to June.

Bow Energy Ltd (ASX: ‘BOW’) is the holder of the ATP 1025P licence, which enables it to explore for coal seam gas over an area that includes Minyango. Caledon and Bow have entered into a data sharing arrangement whereby the results from Caledon’s five holes and one of Bow’s are shared. Under the arrangement Bow will also contribute to the cost of one of the Caledon holes.

Strategic Review Process

As previously advised, Caledon has engaged RBC Capital Markets to conduct a strategic review including soliciting further interest in the Company and its assets (the “Process”). This Process is actively ongoing and the Company is currently involved in discussions with a number of parties. Shareholders are advised to take no action at this time. Any further announcement will be made as soon as appropriate.

For further information, please contact:

United Kingdom

Caledon Resources plc

Jeremy Gorman +44 (0) 20 7935 0027

RBC Capital Markets (NOMAD & Broker)

Martin Eales +44 (0) 20 7029 7881

Conduit PR - Leesa Peters/Jos Simson +44 (0) 20 7429 6603 / +44 (0) 7899 879 450

Australia

Caledon Resources plc

Mark Trevan +61 7 33093103

Rowland (media enquiries)

Bruce Ruddy +61 7 3229 4499

About Caledon Resources plc

Caledon Resources plc is a dual listed public Company listed on the Alternative Investment Market of The London Stock Exchange and The Australian Securities Exchange (trading symbol: "AIM:CDN & ASX:CCD").

Caledon is a coking coal producer and explorer in the Bowen Basin of Queensland, Australia. It acquired the mothballed Cook Mine in late 2006 and has since recommissioned the operation and introduced an innovative new underground mining methodology. The Company also purchased the nearby Minyango exploration concessions in 2006 and has conducted a number of drilling programs in preparation for a feasibility study.