

27 January 2009

**Caledon Resources plc (AIM: CDN, ASX: CCD)
(‘Caledon’ or the ‘Company’)**

Retirement of Chairman

It is with regret that Caledon announces the retirement of Robert Alford, the Executive Chairman, with effect from 23 January 2009. Mr. Alford underwent heart bypass surgery in October 2008 and following medical advice he has decided for health reasons to reduce his workload and travel commitments. Consequently he has requested that the Board accept his decision to retire from the Company.

David Weill has agreed to continue to act as Interim Non-executive Chairman, as announced on 24 December 2008. Mark Trevan, Group Managing Director, will take on Mr Alford’s executive responsibilities, supported by the existing management and finance teams in Brisbane and by the other executive members of the Board.

Mark Trevan, Caledon’s Managing Director, commented:

“Robert has directed Caledon through a transforming period, spearheading its transition from Chinese gold explorer to Australian coal producer, and driven several successful fundraisings in 2006 and 2007, culminating in our ASX listing last summer. We thank him for his efforts and dedication and wish him a quick recovery to full health.

We are also grateful to David Weill for agreeing to take on the role of Interim Non-executive Chairman”.

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About Caledon

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.