

12 November 2010



**Caledon Resources plc**  
(‘Caledon’ or the ‘Company’)

**Further Re: Possible Acquisition of Caledon by Guangdong Rising (Australia) Pty Ltd**

Further to the announcement of 8 November 2010 where the Company (AIM:CDN, ASX:CCD) advised that it had reached an in principle agreement with Guangdong Rising Assets Management Co., Ltd (GRAM) on the terms of a possible acquisition of Caledon by Guangdong Rising (Australia) Pty Ltd, a wholly owned subsidiary of GRAM, Caledon confirms that that it had received advice from GRAM at that time that GRAM had:

- completed due diligence; and
- received advice from the Australian Government’s Foreign Investment Review Board that it had no objections to the potential transaction.

**- Ends -**

***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 870 450

***Australia***

**Caledon Resources plc**

Mark Trevan +61 7 33093103

**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). On 8 November 2010 the Company announced that it had reached an in principle agreement with Guangdong Rising Assets Management Co., Ltd (GRAM) on the terms of a possible acquisition of Caledon by Guangdong Rising (Australia) Pty Ltd, a wholly owned subsidiary of GRAM.

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 completed a prefeasibility study on a potential underground coking and thermal coal mine.

## **Rule 2.10**

The following information is given in accordance with Rule 2.10 of the Takeover Code.

Caledon has in issue a total of 224,633,849 Caledon Shares, the ISIN for which is GB00B1GJZT14, and Caledon CHES Depository Interests ("CDIs"), the ISIN for which is AU000000CCD9. Each CDI represents the full beneficial interest in one underlying Caledon Share. The Caledon Shares are admitted to trading on AIM and the CDIs of Caledon are listed on the Australian Stock Exchange.

Caledon also has in issue GBP4.2 million 8.5 per cent unsecured convertible loan notes due 2013, the ISIN for which is GB00B61JLC69 and which are traded on the Channel Islands Stock Exchange.

## **Disclosure requirements of the Takeover Code**

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4). Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [thetakeoverpanel.org.uk](http://thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.