

Caledon Resources plc Annual General Meeting

June 2010

FORWARD LOOKING STATEMENT DISCLAIMER



CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

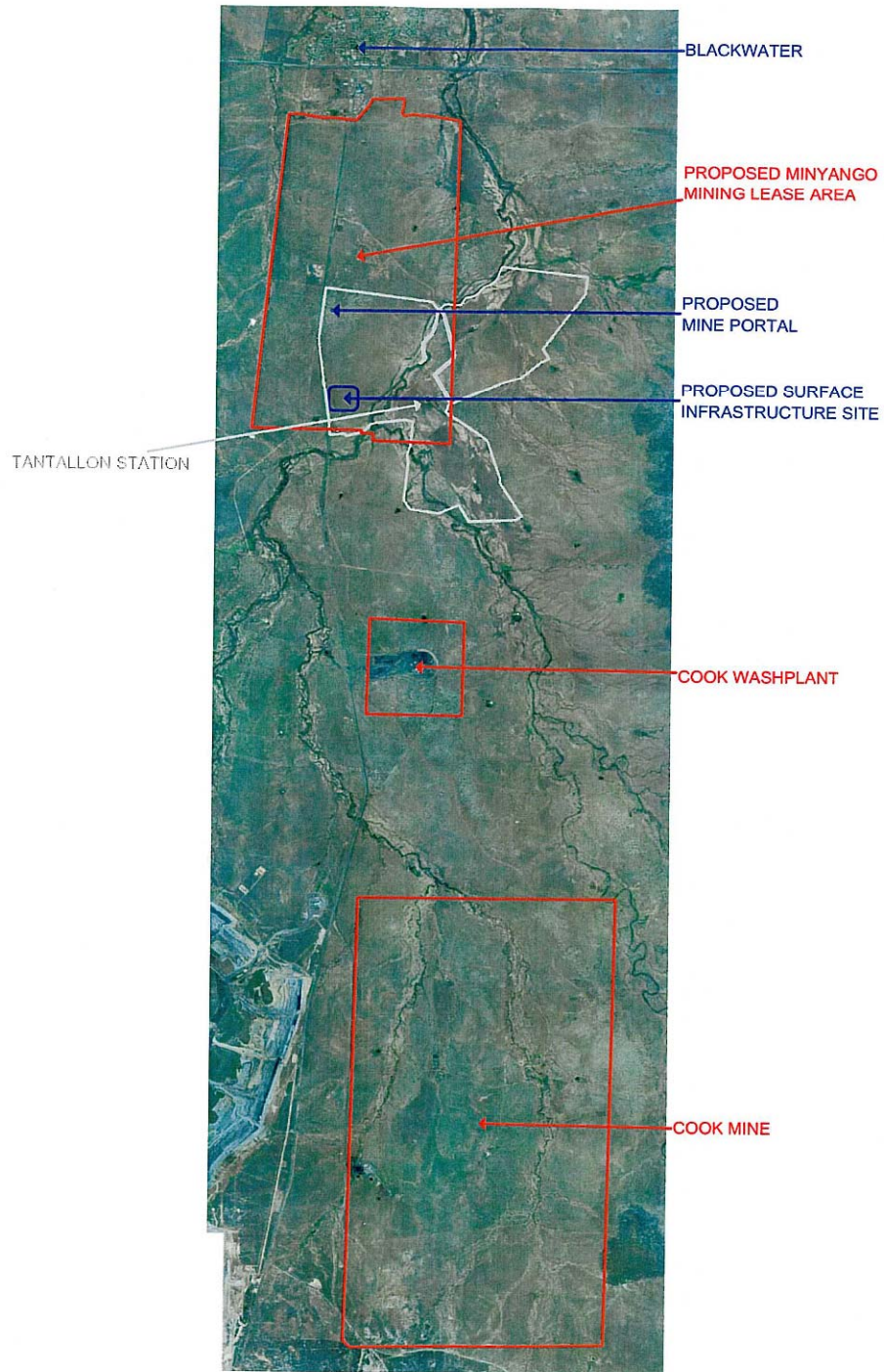
This presentation contains both historical and forward-looking statements. All statements other than statements of historical fact relating to Caledon are, or may be deemed to be, forward looking statements.

All forward-looking statements in this presentation reflect the current expectations of Caledon concerning future results and events and generally may be identified by the use of forward-looking statements such as "believe", "aim", "expect", "anticipate", "intending", "likely", "should", "planned", "estimate", "potential", or other similar statements. Similarly, statements that describe Caledon's objectives, plans, goals or expectations are or may be forward-looking statements.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Caledon's actual results, performance or achievements to differ materially from the anticipated results, performance or achievements, expressly projected or implied by these forward-looking statements. These factors include the inherent risks involved in the exploration and development of coal properties, the uncertainties involved in interpreting drilling results and other geological data, the market price for coal, the possibility of project cost overruns or unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future and other factors.

In particular, Coal Reserve and Resource estimates are expressions of judgement based on knowledge, experience and industry practice, and by their nature are imprecise. No assurance can be given that the estimated Coal Reserves and Resources will be recovered or that they will be recovered at the rates estimated.

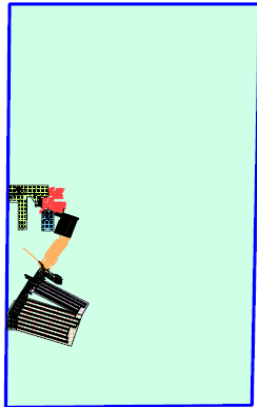
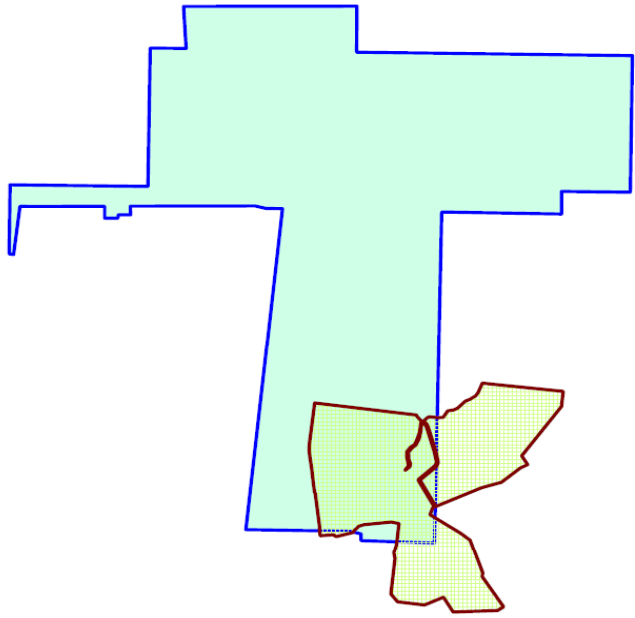
The reader is cautioned not to place undue reliance on forward-looking statements.



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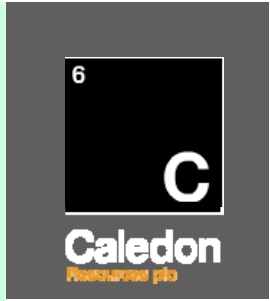
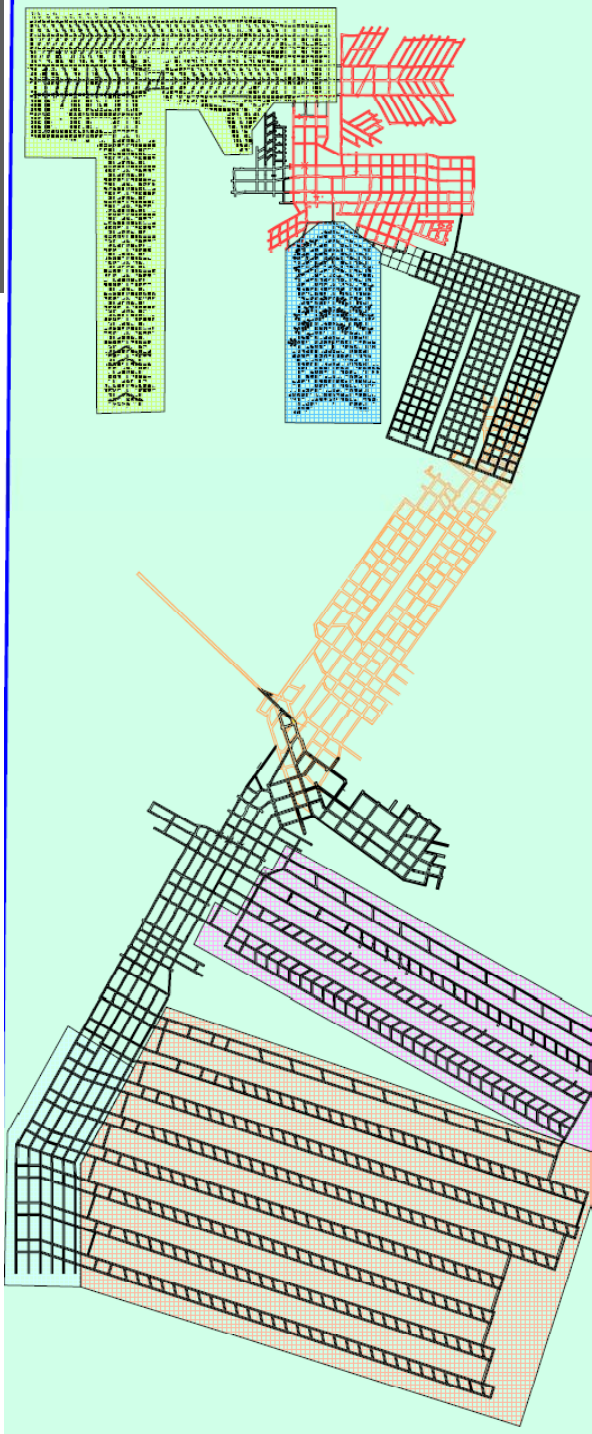
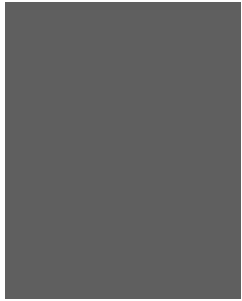
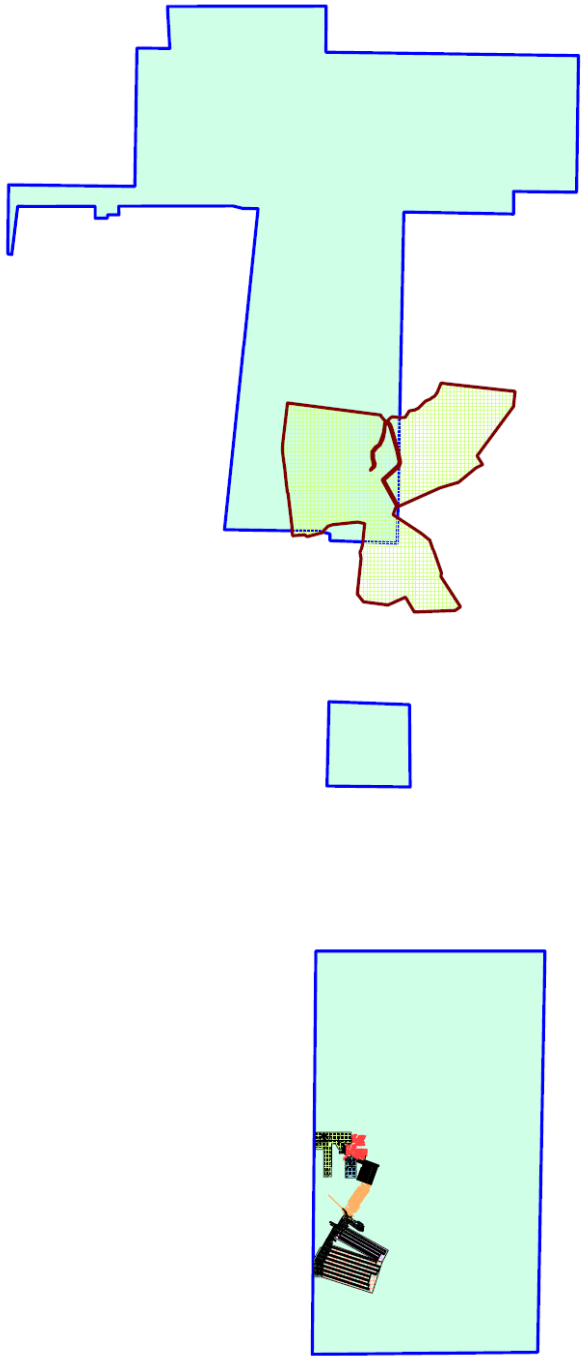
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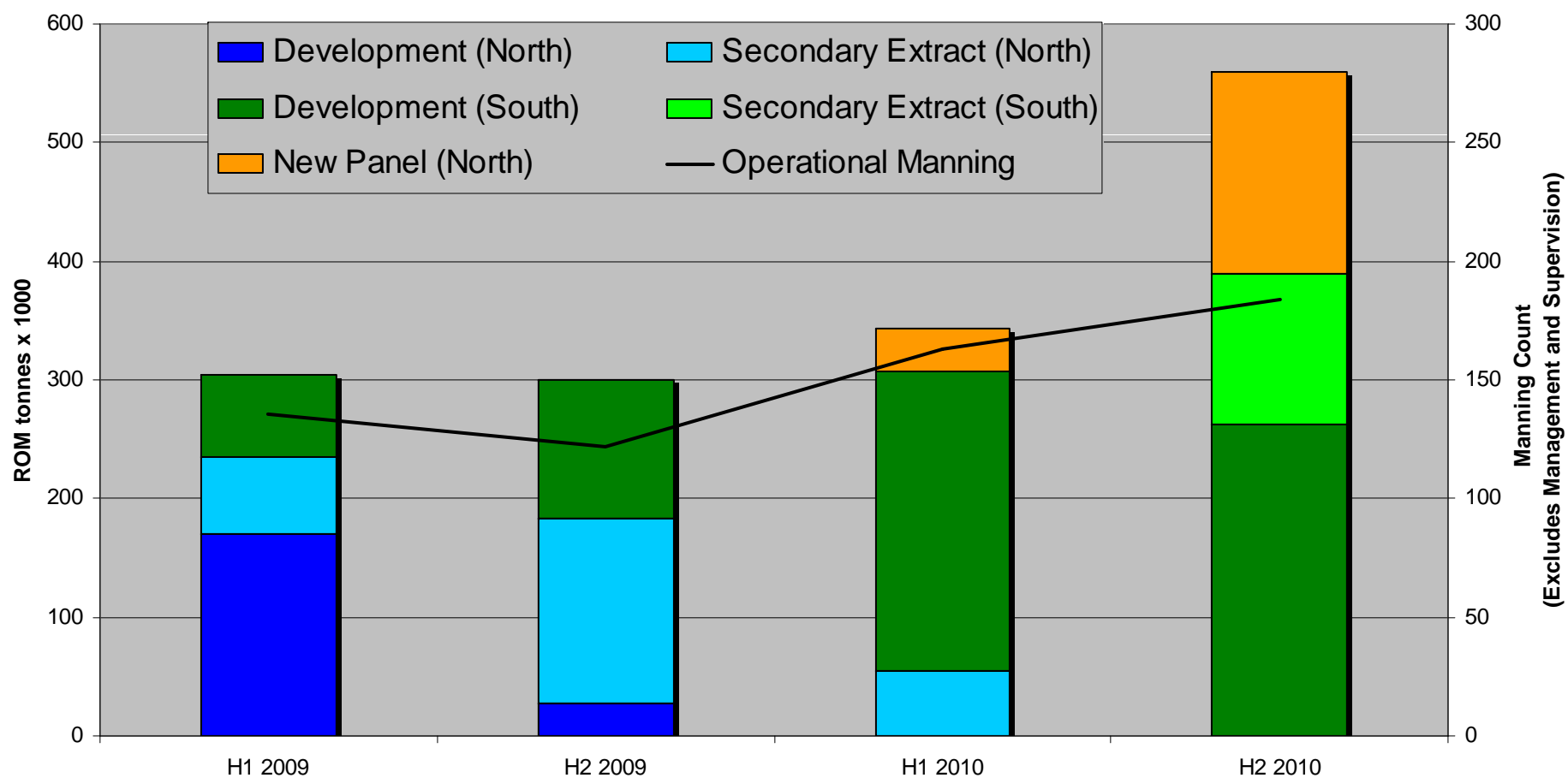
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ROM Production Source



A year of two production halves



Jan-June

- Focus on development
- Some faulted ground
- Equipment rebuild delay
- Slower than plan workforce build up
- New hire inductions and training

July-April

- Continuous access to secondary extraction
- Finalised recruitment and training
- New panel in the North

Cook Prices and FX



		H2 2009	Q1 2010	Q2 2010	Q3 F'cast
Coking Coal	US\$/t	107.35	123.74	179.82	200-205
Thermal Coal	US\$/t	69.93	96.25	106.38	
Exchange Rate	US\$:A\$	0.88	0.90	0.89	
Coking Coal	A\$/t	121.25	136.84	201.71	
Thermal Coal	A\$/t	83.19	109.56	125.30	
Average	A\$/t	112.67	132.95	186.93	
Change			18%	41%	

Proposed Potential Merger announced 27 April



- Based on 11.4 Polo shares for each Caledon share subject to various preconditions
- Fallback £18m loan from Polo due 31 October to cover repayment of July convertible notes
- Fallback A\$4m loan from Polo due 30 September to cover potential Wiggins bid bond

Termination of Merger Discussions announced 24 June



- Unable to reach mutually agreeable terms however Polo confirmed its ongoing support of Caledon
- Placement of up to 11m shares at 30p
- Loan note facility reduced from £18m to £14.5m (plus fee) due to £3.5m notes converted
- A\$4m loan extended to 31 October
- Mr Stephen Bywater to be appointed to the board 30 June
- Additional independent director to be appointed taking the board back to 7 members

Next 6 months



- Formalise status in Wiggins Island tonnage allocation. This will include lodgment of the bid bond. Caledon has been advised it is included in the Stage 1 working group.
- Following the above, commence Final Feasibility for Minyango.
- Work with the company's financial advisors to review options for repayment of the Polo loans. Agreed with Polo that any proceeds from the issue of shares prior to 31 Dec. 2010 will be used first to repay those loans.