

THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES
RESOLUTIONS
of
CALEDON RESOURCES PLC

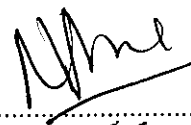
Passed on 27 July 2006

At an annual general meeting of the Company duly convened and held at 10 am on 27 July 2006 the following resolution was duly passed:

SPECIAL RESOLUTION

THAT the Company be and is hereby generally and unconditionally authorised, in accordance with section 166 of the Companies Act 1985 (the 'Act'), to make market purchases (within the meaning of Section 163 of the Act) of Ordinary Shares of 0.1p each in the capital of the Company ('Ordinary Shares') on such terms and in such manner as the directors may from time to time determine provided that:

- (a) the maximum number of Ordinary Shares authorised to be purchased is 33,819,455;
- (b) the minimum price which may be paid for an Ordinary Share is 0.1p (exclusive of expenses and advance corporation tax (if any) payable by the Company);
- (c) the maximum price which may be paid for an Ordinary Share is an amount equal to 105% of the average of the middle market quotations for an Ordinary Share derived from the Alternative Investment Market of the London Stock Exchange for the ten business days immediately preceding the day on which the Ordinary Share is purchased (exclusive of expenses and advance corporation tax (if any) payable by the Company); and
- (d) the authority conferred shall expire at the conclusion of the next Annual General Meeting of the Company except that the Company may before such expiry make a contract to purchase its own shares which will or may be completed or executed wholly or partly after such expiry.



.....
Secretary

