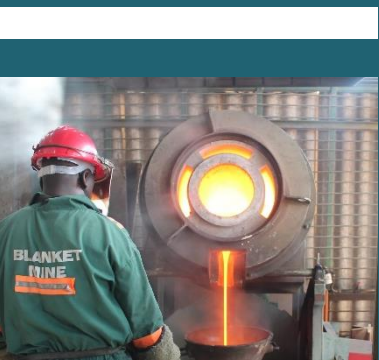




Caledonia Mining
Corporation Plc

Profitable production and growth in one of
Africa's last gold frontiers

September 2020





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The projected gold production figures in this document for 2021 and 2022 are explained in the management discussion and analysis (“MD&A”) dated March 20, 2019. Refer to technical report dated February 13, 2018 entitled “National Instrument 43-101 Technical Report on the Blanket Mine, Gwanda Area, Zimbabwe (Updated February 2018), a copy of which was filed by the Company on SEDAR on March 2, 2018 for the key assumptions, parameters, and methods used to estimate the mineral resources and mineral reserves from which such planned gold production is to be derived and risks that could materially affect the potential development of the mineral resources or mineral reserves. Refer to Resource Upgrade at the Blanket Mine, Zimbabwe as announced by the Company on September 20, 2018 for the resources as stated in this document. Mr Paul Matthews, the Company's qualified person and Group Mineral Resource Manager, supervised the preparation of the technical information in the technical report, and also supervised the preparation of the technical information supporting the production figures and the resources.



1. Company Overview: building a solid foundation

2. Central Shaft: near-term, low-risk growth

3. Attractive new opportunities in Zimbabwe



Caledonia Mining : Overview

Caledonia:

Profitable gold producer

- Established, profitable gold producer, now expanding production from the Blanket Mine in the Gwanda Greenstone Belt, Zimbabwe
- Jersey domiciled company; listed on NYSE MKT and AIM
- US\$11.7m in cash at 30 June 2020
- P/E of 12.4x on adjusted Q2 2020 annualised earnings

Blanket Gold Mine:

An established mine with substantial planned production growth and cost reduction

	<u>Production (oz)</u>	<u>AISC (\$/oz)</u>
2018 Actual	54,512	\$802/oz
2019 Actual	55,182	\$856/oz
2020 Target	53,000 to 56,000	n/a
2021 Target	75,000	\$700-\$800/oz*
2022 Target	80,000	\$700-\$800/oz*

- M&I Resources of 805koz at 3.72g/t, Inferred resources of 963koz at 4.52g/t
- Fully funded investment program supporting a 14-year life of mine
- Significant on-mine and regional exploration upside

Dividend

- Quarterly dividend of \$0.085 (8.5c) – 24% increase in dividend since Oct 2019
- Annualised yield of 1.9%

* 2021 target AISC is C3-On-mine cost per the Technical Report published in Feb 2018 after adjustment for head office expenses and removal of intercompany margin. No account taken of export incentive credits or potential savings arising from increased efficiency of the central shaft



COVID-19

Minimal short-term effect on production; potential delay to Central Shaft

- Operating costs in Q2 2020 increased by \$509,000 due to specific COVID-19 expenses (labour costs and specific consumables)
- Donations to the Chamber of Mines and communities in Q2 2020 of \$1,049,000 to assist with the Covid-19 pandemic.
- Operations during the 3-week lockdown (in early April) ran at 93% of planned production; production has subsequently returned to normal and production in the whole of Q2 was only 1.2% below plan
 - Production in early Q3 2020 was better than planned
- COVID-19 restrictions had an adverse effect on capital projects:
 - Slower progress on equipping the Central Shaft and restrictions on the cross-border movement of specialised personnel and equipment
 - Restrictions on the number of underground personnel resulted in slower underground development which is required to support future production – including production from the Central Shaft
 - Blanket's mine plan is currently being re-formulated
 - Target production of 80,000 ounces from 2022 onwards is unlikely to be changed
 - Target production for 2021 will be confirmed in mid- November 2020 following completion of the budgeting process



Building a solid track record

Production growth, good cost control and capital investment

Caledonia Mining has a track record of rising production and declining unit operating costs. This has delivered strong operating cash flow to support significant capital investment

	2015	2016	2017	2018	2019	CAGR
Revenue (\$k)	48,977	61,992	69,762	68,399	75,826	12%
Gold Production (oz)	42,802	50,351	56,133	54,511	55,182	7%
Operating Cash Flow (\$k)	6,869	23,011	24,512	17,667	18,060	27%
Capital Investment (\$k)	16,567	19,882	21,639	20,192	20,024	-
Cash (\$k)	10,880	14,335	12,756	11,187	8,893	-
Return on Shareholders Funds (%)	10%	15%	15%	15%	39%¹	-
Adjusted EPS (USc/share)	44.5	98.6	135.4	131.5	144	36%

1 - ROCE excluding FX gain is approximately 21% in 2019



Recent Positive News Flow

A series of favourable events as Caledonia delivers its strategy

July 24, 2019	Completion of shaft sinking at Central shaft project
October 16, 2019	Stabilization of electricity supply situation in Zimbabwe
January 3, 2020	Increase of quarterly dividend by 9.1% to 7.5 cents per share
January 13, 2020	Achievement of record production in Q4 2019
January 21, 2020	Completion of transaction to increase shareholding in Blanket to 64%
January 30, 2020	Announcement of increased earnings guidance for 2019
April 9, 2020	Strong Q1 production performance ahead of target for 2020
April 29, 2020	Payment of quarterly dividend despite COVID-19 interruptions
May 12, 2020	Strong Q1 2020 results supported by a firm gold price
June 29, 2020	Increase of Quarterly Dividend by 13% to 8.5 cents per share
September 4, 2020	ATM fundraise raised \$13m for the construction of a solar PV plant

Recent announcements highlight high level of business resilience in the face of the COVID-19 Pandemic



Capital Structure & Financials

Relative Performance vs GDXJ



Summary P&L (\$'m except /share data)

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Revenues	49.0	62.0	69.8	68.4	75.8
EBITDA**	8.9	19.7	24.2	19.2	29.9
Profit after Tax	5.6	11.1	11.9	13.8	50.4
EPS (USc)***	45	79.5	86.5	98.9	382
EPS – adj (USc)***	44	98.6	135	132	144

** EBITDA is before Other Income

*** EPS numbers are after an effective 1 for 5 share consolidation on the 26th of June 2017

Capital Structure

Shares in issue (11 th September 2020)	12.1m
Options	38,000
Cash (30 th June 2020)*	\$11.7m
Net Assets (30 th June 2020)*	\$138m

* Cash as disclosed at the end of Q2 2020, additional \$13m raised to fund the construction of a solar PV plant on September 4 2020

Listing and Trading

Share price (11 th September 2020)	\$18.29
Market Cap (11 th September 2020)	\$221m
52 week low/high (US\$)	6.67 – 27.63
12M Avg. daily liquidity (shares/day)	42,000

Shareholders

	%
Management and directors	3.9
Allan Gray (South African Institution)	16.2
Sales Promotion Services	7.0
Fremiro Investments	6.0
Blackrock	4.7
Premier Miton Group	3.3



Solar PV Project

Blanket's tropical location and altitude are favourable for Solar PV

- Caledonia has approved the construction of a 12MW solar plant at a cost of approximately \$12 million
- Funding for the project has been secured through the issue of equity via an ATM fundraise on the NYSE MKT
- The project is expected to reduce Blanket's dependence on grid power and improve the quality and security of Blanket's electricity supply
 - Since January 2018 Blanket has suffered numerous low voltage occurrences which have required the use of the diesel generators
 - Low voltage occurrences in conjunction with load shedding have resulted in over 11,000 hours of genset use, consuming over 2.5 million litres of diesel at a cost of approximately \$2.5 million
- The plant is expected to provide 100% of Blanket's baseload minimum electricity demand during daylight hours and approximately 27% of Blanket's total daily electricity demand.
- Construction is expected to commence in Q4 2020 and the plant is expected to be operational by mid-2021 subject to any delays arising from continued or further restrictions arising from the COVID-19 pandemic.
- The project is expected to reduce Caledonia's GHG emissions and improve operating cost and reliability





Central Shaft: Near-term growth





Investing in growth to 80koz/year from 2022

Constructing a new mine below the current workings (2015 to 2020)

6m diameter, 4-compartment shaft
from surface to 1,200m.
Scheduled for commissioning late 2020

Shaft sinking completed in July 2019;
currently shaft equipping

Mining and exploration access below
750m; improve operational efficiency;
secure mine life to 2034

\$63m invested since Jan 2015 fully
funded from internal cash flows

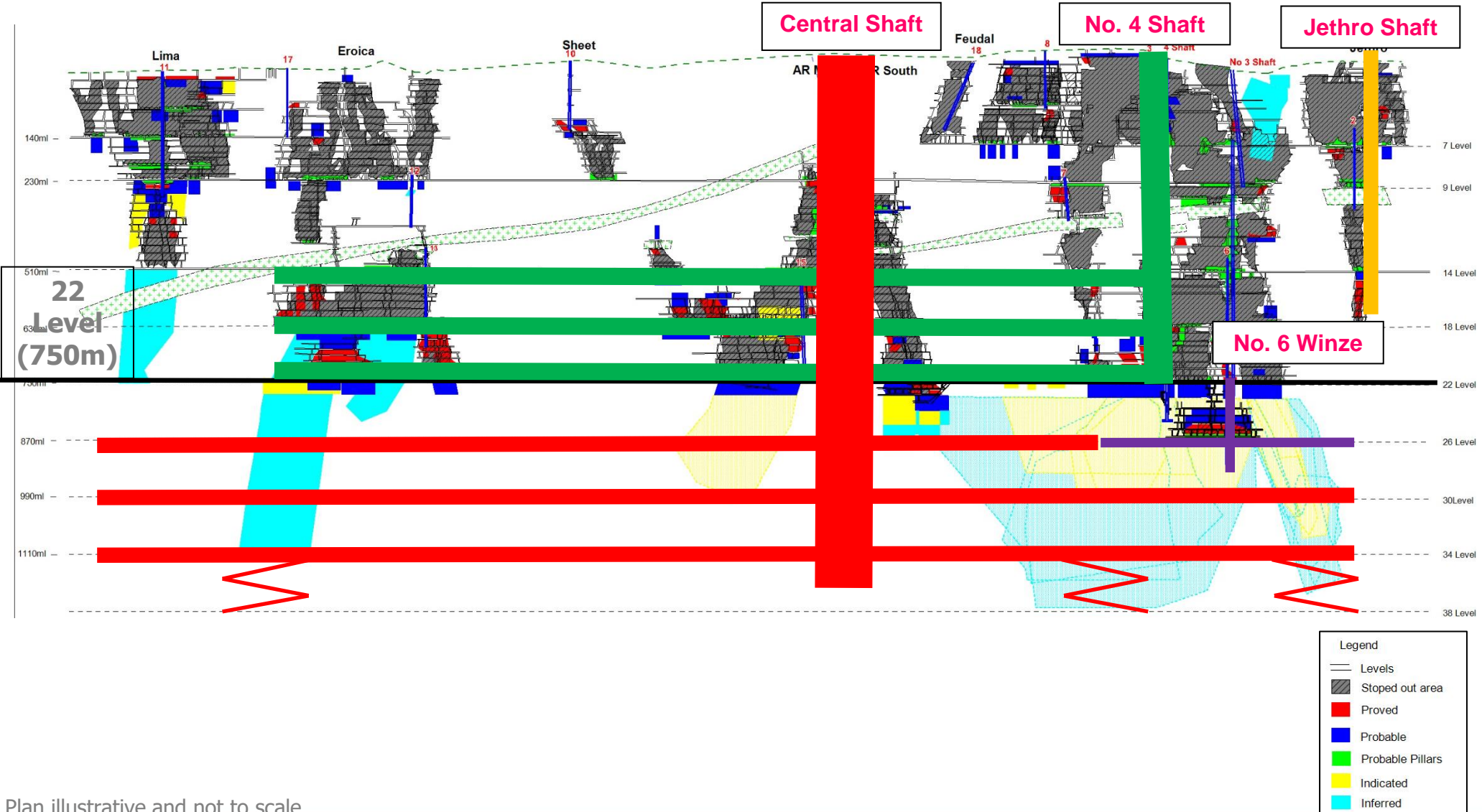


Central Shaft will result in a major improvement in production, costs and flexibility



New Central Shaft drives development of sub-750m zones

Constructing a new mine below the current workings



Plan illustrative and not to scale



New infrastructure is transformational for the Blanket Mine

Improves haulage and worker logistics



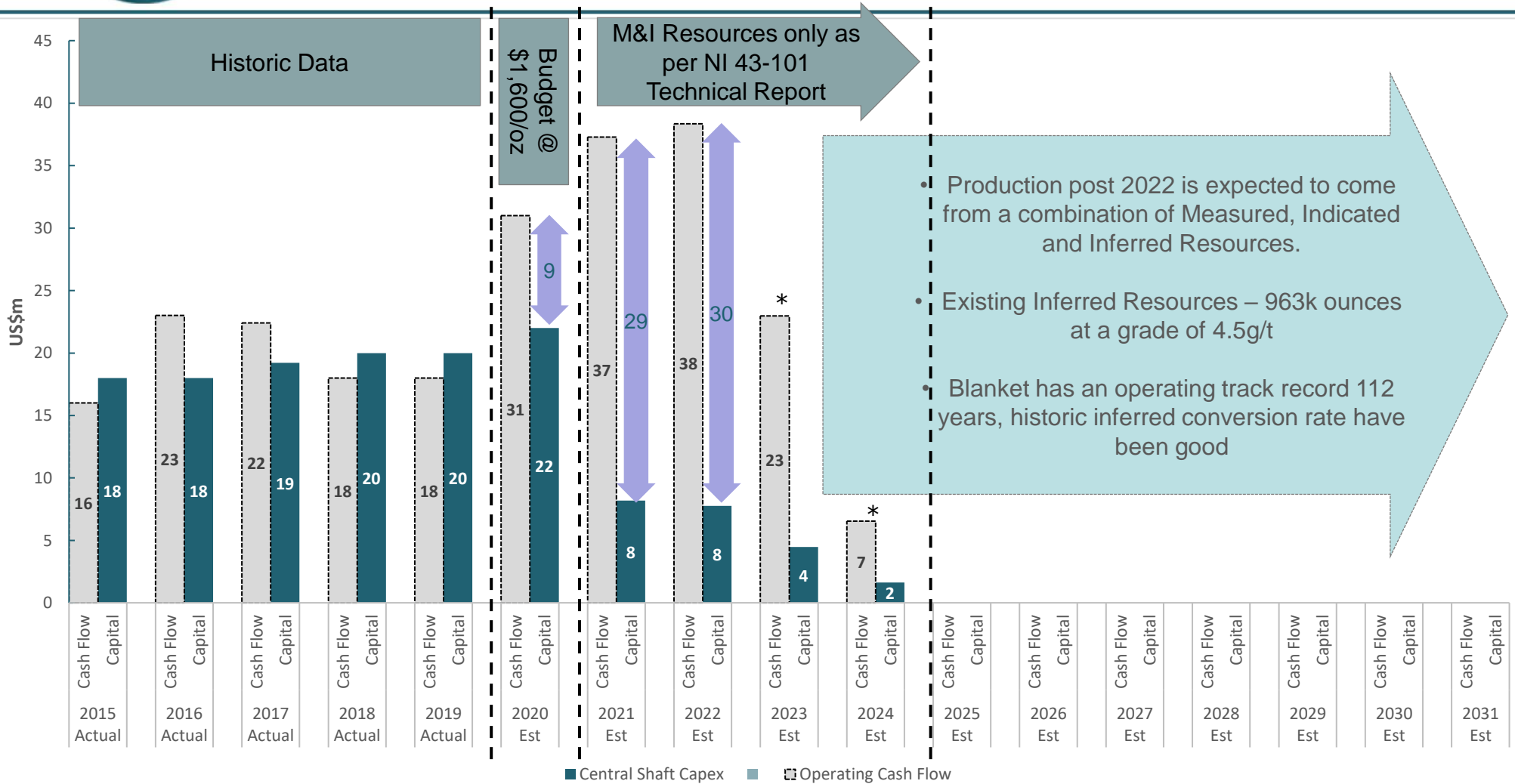
Sinking completed mid 2019, currently in a 12-month equipping phase

Completion expected in H2 2020



Strong free cash flows expected from 2020 onwards

Declining capex and increasing cash generation



• Operating cash flow and capital expenditure forecasts for Blanket Mine are extracted from the technical report dated 13 February 2018 entitled "National Instrument 43-101 Technical Report on the Blanket Mine, Gwanda Area, Zimbabwe (Updated February 2018), a copy of which was filed by the Company on SEDAR on March 2, 2018 using a gold price of \$1,214 per ounce. These forecasts are for Blanket Mine and exclude Caledonia's G&A costs, inter-company adjustments and the export credit incentive for Zimbabwean gold producers

* Cash flow forecasts in 2023 and 2024 include only production from M&I resources as per National Instrument 43-101 standards. Management anticipate supplementing production from inferred resources as these resources are delineated with further exploration work.



Outlook



Strategy & Outlook

Increased free cash flow to grow dividends and invest for further production

Short Term (2020 – 2022): Complete the Central Shaft Project

1. Increase production to 80,000 ounces per annum from 2022
2. Increased cash flows due to higher production, lower unit costs and reduced capex from 2021
3. Continued deep level exploration to extend the life of mine beyond 2034
4. Review dividend policy to deliver sustainable dividend growth consistent with increasing free cash flow:
13% dividend increase in June 2020 to 8.5 cents per share; 24% dividend increase since January 2020

Longer term (2022 and Beyond): Deploy surplus cash flow to increase dividends and fund growth

1. Evaluate new investment opportunities in Zimbabwe where “surplus” free cash can be deployed
2. Very little gold mining exploration in Zimbabwe in the last 20 years: one of the last gold mining frontiers in Africa
3. Project evaluation criteria:
 - Scale: minimum target resource 1 million oz; minimum target production of 50,000 ounces per annum
 - NPV per share enhancing and, eventually, dividend per share enhancing



Attractive new opportunities in Zimbabwe

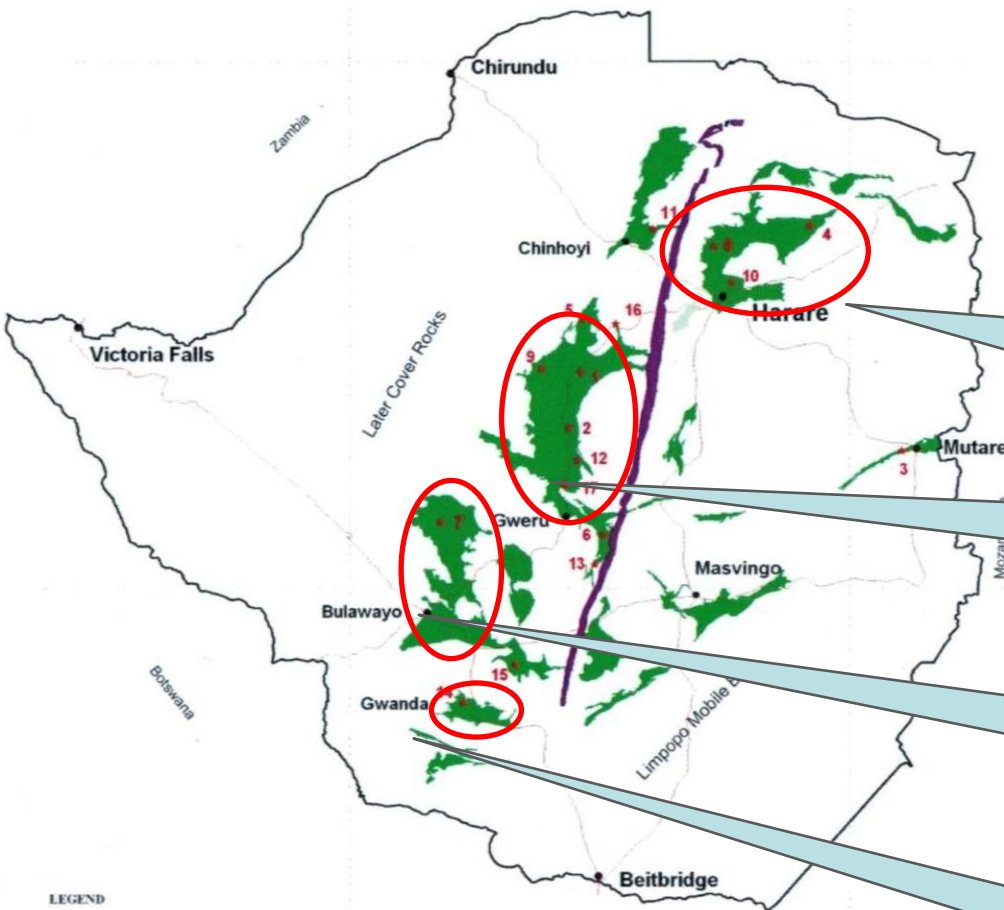


The Zimbabwe Opportunity

World-class gold potential: under-explored and under-capitalized

Historic & current 1Moz+ producers

Significant regional potential



- Zimbabwe has produced over **45 million ounces** of gold
- Prior to 2000, Zimbabwe produced more gold than Mali, Tanzania, Burkina Faso and Guinea
- Several prolific gold belts with potential for further multi million-ounce discoveries

Harare

Production: >4Moz
Existing Resources: approx. 1.9Moz
Average Grade: approximately 3g/t

Gweru

Production: >15Moz
Existing Resources: approx. 1.9Moz
Average Grade: approximately 3g/t

Bulawayo

Production: >2.5Moz
Existing Resources: approx. 6.5Moz
Average Grade: 2.5g/t – 5g/t

Gwanda Greenstone Belt – Including Blanket Mine

Production: >2.5Moz
Existing Resources: approx. 2.7Moz
Average Grade: 3.5g/t – 5g/t

LEGEND

- Greenstone Belt
 - Great Dyke
 - Major Town
 - Major Road
- | | | |
|-------------------|-----------------|--------------------------|
| 1 Cam & Motor | 7 Lonely | 13 Tebekwe |
| 2 Globe & Phoenix | 8 Mazowe Group | 14 Blanket & Vumbachikwe |
| 3 Rezende Group | 9 Golden Valley | 15 Fred |
| 4 Shamva | 10 Acturus | 16 Giant |
| 5 Dalny | 11 Muriel | 17 Connemara Group |
| 6 Wanderer Group | 12 Gaika | |



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