



CALEDONIA MINING CORPORATION PLC

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR – SOLICITATION OF PROXIES

APRIL 1, 2019

TABLE OF CONTENTS

| | |
|---|----|
| NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS | 1 |
| MANAGEMENT INFORMATION CIRCULAR | 3 |
| SOLICITATION OF PROXIES | 3 |
| APPOINTMENT AND REVOCATION OF PROXIES | 3 |
| EXERCISE OF DISCRETION BY PROXIES | 4 |
| VOTING SHARES AND PRINCIPAL HOLDERS THEREOF | 4 |
| RECORD DATE | 4 |
| QUORUM REQUIREMENTS | 4 |
| NOTICE AND ACCESS | 5 |
| VOTING BY REGISTERED SHAREHOLDERS | 5 |
| NON-REGISTERED SHAREHOLDERS | 5 |
| ELECTRONIC VOTING INSTRUCTIONS VIA THE CREST VOTING SYSTEM | 6 |
| INTERESTS OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON | 7 |
| PRESENTATION OF FINANCIAL STATEMENTS | 7 |
| REAPPOINTMENT OF DIRECTORS | 7 |
| Bankruptcy, Insolvency and Cease-Trade Order | 8 |
| APPOINTMENT OF AUDITOR | 9 |
| APPOINTMENT OF AUDIT COMMITTEE MEMBERS | 9 |
| OTHER MATTERS TO BE ACTED UPON | 9 |
| PERFORMANCE GRAPH | 16 |
| Compensation Discussion and Analysis | 17 |
| Option-based awards | 18 |
| Compensation governance | 18 |
| Summary Compensation Table | 19 |
| Outstanding share-based awards and option-based awards | 19 |
| Termination and Change of Control Benefits | 20 |
| DIRECTOR COMPENSATION TABLE | 20 |
| Outstanding share-based awards and option-based awards | 21 |
| CORPORATE GOVERNANCE PRACTICE | 21 |
| Mandate of the Board | 21 |
| Director Tenure | 23 |
| Board Composition | 23 |
| Majority Voting Policy | 23 |
| Diversity | 24 |
| Board Committees | 24 |
| Audit Committee | 24 |
| ADDITIONAL INFORMATION | 25 |
| APPENDIX “A” | 27 |
| APPENDIX “B” | 32 |
| APPENDIX “C” | 33 |

CALEDONIA MINING CORPORATION PLC

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**Meeting**”) of the shareholders of Caledonia Mining Corporation Plc (the “**Company**”) will be held on Wednesday, May 8, 2019 at 09:00 a.m. (UK time) at 3rd Floor, Weighbridge House, Weighbridge, St Helier, Jersey JE2 3NF, Channel Islands to receive the audited consolidated financial statements of the Company for the financial year ended December 31, 2018, together with the report of the auditor thereon, and to consider and, if thought fit, pass, with or without amendments, the following resolutions as ordinary resolutions:

1. To reappoint each of the following directors of the Company for the ensuing year, each such resolution to be proposed as a separate resolution:
 - (a) Leigh A. Wilson, who retires in accordance with article 72.1 of the articles of association of the Company and, being eligible, offers himself for reappointment as a director;
 - (b) Steven Curtis, who retires in accordance with article 72.1 of the articles of association of the Company and, being eligible, offers himself for reappointment as a director;
 - (c) Mark Learmonth, who retires in accordance with article 72.1 of the articles of association of the Company and, being eligible, offers himself for reappointment as a director;
 - (d) John Kelly, who retires in accordance with article 72.1 of the articles of association of the Company and, being eligible, offers himself for reappointment as a director;
 - (e) Johan Holtzhausen, who retires in accordance with article 72.1 of the articles of association of the Company and, being eligible, offers himself for reappointment as a director; and
 - (f) John McGloin, who retires in accordance with article 72.1 of the articles of association of the Company and, being eligible, offers himself for reappointment as a director.
2. To reappoint BDO South Africa Inc (formerly Grant Thornton Johannesburg Partnership) as the auditor of the Company for the ensuing year and authorise the directors to fix its remuneration.
3. In accordance with the charter of the Audit Committee of the Board of Directors of the Company, to reappoint each of the following directors of the Company as a member of the Audit Committee for the ensuing year, each such resolution to be proposed as a separate resolution:
 - (a) subject to his reappointment as a director of the Company pursuant to the resolution at 1.(e) above, Johan Holtzhausen;
 - (b) subject to his reappointment as a director of the Company pursuant to the resolution at 1.(d) above, John Kelly; and
 - (c) subject to his reappointment as a director of the Company pursuant to the resolution at 1.(f) above, John McGloin

or if any such persons are not so reappointed, any other independent non-executive director of the Company as may be put forward by the chairman of the Meeting.

March 29, 2019 has been chosen as the record date for determining those shareholders of the Company entitled to receive notice of the Meeting. The accompanying management information circular (the “**Circular**”) provides additional information relating to the matters to be dealt with at the Meeting and forms part of this notice. This notice and Circular together with the audited consolidated financial statements of the Company and management’s discussion and analysis for the financial year ended December 31, 2018 comprise the “**Meeting Materials**”.

To be entitled to attend and vote at the Meeting, shareholders must be registered in the register of members of the Company at 09:00 a.m. (UK time) on Monday, May 6, 2019 (or, in the event of any adjournment, 48 hours (not including any part of a day that is not a working day) prior to the time of the adjourned Meeting), and transfers registered after that time shall be disregarded in determining entitlements to attend and vote at the Meeting. Shareholders have a right to ask questions at the Meeting.

In order to ensure representation at the Meeting, registered shareholders must complete the form of proxy and submit it as soon as possible but not later than 09:00 a.m. (UK time) on Monday, May 6, 2019 or 48 hours (not including any part of a day that is not a working day) prior to the time of any adjournment or postponement of the Meeting (or such earlier time as required by the applicable nominee) as set out in the accompanying Circular.

Non-registered shareholders or shareholders that hold their shares in the name of a “nominee”, such as a bank, trust company, securities broker or other financial institution, must seek instructions from their nominee as to how to vote their shares. Non-registered shareholders will have received the Mailed Materials (as defined below) in a mailing from their nominee. It is important that non-registered shareholders adhere to the voting instructions provided to them by their nominee.

This year, the Company has adopted the notice and access method of delivering materials to both registered and beneficial shareholders. A notice will be mailed to shareholders of the Company, accompanied by a form of proxy or voting instruction form (as applicable) and an addressed envelope (together with the notice the “**Mailed Materials**”). However, the Company will deliver the applicable Meeting Materials to shareholders by posting the Meeting Materials on its website. This alternative means of delivery is more environmentally friendly as it will help reduce paper use and mitigate the Company’s printing and mailing costs.

The Meeting Materials will be available on the Company’s website as of April 1, 2019, and will remain on the website for at least one full year thereafter. The Meeting Materials will also be available under the Company’s profile on SEDAR at www.sedar.com and on the United States Securities and Exchange Commission website at www.sec.gov as of April 1, 2019. Shareholders will receive a notice which will contain information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting. Registered shareholders who wish to receive paper copies of the Meeting Materials before the Meeting should call toll free from within North America on 1-866-962-0498 or from outside North America on +1-514-982-8716. Non-registered shareholders who wish to receive paper copies of the Meeting Materials at any time should call toll free from within North America on 1-877-907-7643 or from outside North America on +1-905-507-5450. To obtain copies after the Meeting, registered shareholders should contact Adam Chester at the Company by calling +44 1534 679800, or by email at info@caledoniamining.com. Meeting Materials will be sent to such shareholders at no cost to them within three business days of their request, if such requests are made before the Meeting, and within ten business days if requests are made after the Meeting.

DATED as of the 1st day of April, 2019.

By order of the Board of Directors
Caledonia Mining Corporation Plc

(signed) “*Leigh A. Wilson*”

Leigh A. Wilson
Chairman

CALEDONIA MINING CORPORATION PLC

MANAGEMENT INFORMATION CIRCULAR

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT ABOUT WHAT ACTION YOU SHOULD TAKE, YOU SHOULD IMMEDIATELY CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL ADVISER.

THIS MANAGEMENT INFORMATION CIRCULAR (THE “CIRCULAR”) IS FOR INFORMATION PURPOSES ONLY AND DOES NOT CONSTITUTE OR FORM PART OF AN OFFER OF OR INVITATION TO SELL OR ISSUE OR ANY SOLICITATION OF AN OFFER TO PURCHASE OR SUBSCRIBE FOR ANY SECURITIES IN ANY JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION IS UNLAWFUL NOR SHALL THIS CIRCULAR (OR ANY PART OF IT) OR THE FACT OF ITS DISTRIBUTION FORM THE BASIS OF, OR BE RELIED UPON IN CONNECTION WITH, OR ACT AS AN INDUCEMENT TO ENTER INTO, ANY CONTRACT OR COMMITMENT TO DO SO. ANY FAILURE TO COMPLY WITH THESE RESTRICTIONS MAY CONSTITUTE A VIOLATION OF THE APPLICABLE SECURITIES LAWS IN SUCH JURISDICTIONS. THIS CIRCULAR DOES NOT CONSTITUTE A PROSPECTUS FOR THE PURPOSES OF THE UK PROSPECTUS RULES AND HAS NOT BEEN, AND WILL NOT BE, APPROVED BY OR FILED WITH THE UK FINANCIAL CONDUCT AUTHORITY.

THE INFORMATION CONTAINED IN THIS CIRCULAR IS NOT INTENDED TO, AND DOES NOT, CONSTITUTE AN OFFERING OF SECURITIES FOR SALE IN THE UNITED STATES AND NO SECURITIES HAVE BEEN OR WILL BE REGISTERED IN CONNECTION WITH THIS CIRCULAR OR THE TRANSACTIONS CONTEMPLATED HEREBY UNDER THE UNITED STATES SECURITIES ACT 1933, AS AMENDED, (THE “SECURITIES ACT”) OR UNDER THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION IN THE UNITED STATES NOR WILL THEY QUALIFY FOR DISTRIBUTION UNDER ANY OF THE RELEVANT SECURITIES LAWS OF ANY OTHER JURISDICTION. ANY SECURITIES THAT MAY BE DEEMED OFFERED IN THE UNITED STATES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES, UNLESS REGISTERED UNDER THE SECURITIES ACT AND APPLICABLE STATE LAWS, OR PURSUANT TO AN EXEMPTION FROM SUCH REGISTRATION UNDER BOTH FEDERAL AND STATE LAWS.

The Company’s CUSIP number in respect of the Common Shares is G1757E113 and its ISIN code in respect of depositary interests relating to the Common Shares (the “**Depositary Interests**”) is JE00BF0XVB15.

SOLICITATION OF PROXIES

This Circular is provided in connection with the solicitation of proxies to be used at the annual general meeting of shareholders (“**Shareholders**”) of Caledonia Mining Corporation Plc (the “**Company**”) to be held on Wednesday, May 8, 2019 at 09:00 a.m. (UK time) at 3rd Floor, Weighbridge House, Weighbridge, St Helier, Jersey JE2 3NF, Channel Islands or at any adjournment thereof (the “**Meeting**”) for the purposes set forth in the Company’s notice of annual general meeting dated as of April 1, 2019 (the “**Notice of Meeting**”).

The proxy is being solicited by the management of the Company. The solicitation is being made primarily by mail (initially by way of the notice and access method), but proxies may also be solicited by telephone, by facsimile, by the internet, by advertisement or by other personal contact by directors, officers and other employees of the Company. The entire cost of the solicitation will be borne by the Company.

Unless otherwise indicated, the information contained in this Circular is given as at April 1, 2019.

Dollar (\$) amounts stated in this Circular are references to United States Dollars, unless expressed otherwise.

APPOINTMENT AND REVOCATION OF PROXIES

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy (or proxies) to attend, speak and vote instead of that Shareholder and a proxy need not be a Shareholder. The persons named in the

form of proxy are directors of the Company (“Directors”) and the Company’s General Counsel. A Shareholder desiring to appoint some other person to represent him, her or it at the Meeting may do so by inserting such person’s name, who need not be a Shareholder, in the blank space provided in the form of proxy and striking out the names of the persons specified or by completing another proper form of proxy. Proxies may also be submitted electronically pursuant to the instructions on the form of proxy. In all cases, the completed proxy is to be deposited at, or supplied to, the offices of Computershare Investor Services Inc. (“**Computershare**”), 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1 by not later than 09:00 a.m. (UK time) on Monday, May 6, 2019, 2018 or 48 hours (not including any part of a day that is not a working day) prior to the time of any adjournment or postponement of the Meeting (or such earlier time as required by the applicable nominee).

A Shareholder giving a proxy has the right to revoke the proxy by instrument in writing executed by the Shareholder or by the Shareholder’s attorney authorised in writing and deposited at the registered office of the Company at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the date of the Meeting, or any adjournment thereof, or in any other manner permitted by law.

EXERCISE OF DISCRETION BY PROXIES

The persons named in the form of proxy will vote the shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them and, if a choice is specified by the Shareholder appointing them, the shares will be voted in accordance with such choice. In the absence of such direction, such shares will be voted FOR all of the matters referred to in the Notice of Meeting and FOR the reappointment of the relevant Directors.

The form of proxy confers discretionary authority upon the persons named therein with respect to any amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the time of printing this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

On April 1, 2019, the Company had issued and outstanding 10,749,904 common shares (each, a “**Common Share**”), each carrying the right of one vote per share.

To the knowledge of the Directors and officers of the Company, other than as set out below, no person beneficially owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of the votes attached to all Common Shares. Allan Gray Proprietary Limited, a South African investment fund manager, has disclosed that two funds of which it is the manager beneficially own, directly or indirectly, and that it exercises control or direction over, 2,130,668 Common Shares (which it holds in the form of Depositary Interests), representing 19.82% of the issued and outstanding Common Shares.

RECORD DATE

The board of Directors (“**Board of Directors**” or the “**Board**”) has fixed the record date as March 29, 2019 for the purpose of determining who is entitled to receive Notice of Meeting. Shareholders entitled to vote at the Meeting will be the Shareholders registered in the register of members at 09:00 a.m. (UK time) on Monday, May 6, 2019 (or, in the event of any adjournment, 48 hours (not including any part of a day that is not a working day) prior to the time of the adjourned Meeting), and transfers registered after that time shall be disregarded in determining entitlements to attend and vote at the Meeting. The failure of any Shareholder to receive the Notice of Meeting will not deprive the Shareholder of the right to vote at the Meeting.

QUORUM REQUIREMENTS

The quorum requirement for the Meeting is that there be two Shareholders present in person or by proxy together holding or representing by proxy not less than 5% of the issued shares of the Company. As the Company has

10,749,904 Common Shares issued the requirement for the Meeting will be that there be shareholder representation of at least 1,074,991 Common Shares.

NOTICE AND ACCESS

The Company has decided to deliver the Meeting Materials to its Shareholders in accordance with Canadian law and practice which permits public companies to advise their Shareholders of the availability of all proxy-related materials on an easily-accessible website, rather than mailing physical copies of the materials. The Company will therefore post the Meeting Materials on its website at www.caledoniamining.com. The Meeting Materials will be available on the Company's website as of April 1, 2019, and will remain on the website for at least one full year thereafter. The Meeting Materials will also be available under the Company's profile on SEDAR at www.sedar.com (Canada) or at www.sec.gov (United States) as of April 1, 2019.

Shareholders will receive a notice (together with the other Mailed Materials) which will contain information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting. Registered shareholders who wish to receive paper copies of the Meeting Materials before the Meeting should call toll free from within North America on 1-866-962-0498 or from outside North America on +1-514-982-8716. Non-registered shareholders who wish to receive paper copies of the Meeting Materials at any time should call toll free from within North America on 1-877-907-7643 or from outside North America on +1-905-507-5450. To obtain copies after the Meeting, registered shareholders should contact Adam Chester at the Company by calling +44 1534 679800, or by email at info@caledoniamining.com. Meeting Materials will be sent to such shareholders at no cost to them within three business days of their request, if such requests are made before the Meeting, and within ten business days if requests are made after the Meeting. Shareholders may request that paper copies of the Meeting Materials be mailed to them at no cost for up to one year from the date the Circular is filed on SEDAR.

VOTING BY REGISTERED SHAREHOLDERS

A registered Shareholder is a person whose shares are registered directly in its own name in the register of members maintained for the Company by the transfer agent and registrar, Computershare.

In order to ensure representation at the Meeting, registered Shareholders must either (i) complete, date and sign the form of proxy, or other appropriate form of proxy and deliver it to the Company's transfer agent, Computershare Investor Services Inc. at 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1 in the addressed envelope; or (ii) submit their proxy to Computershare online at www.investorvote.com, in each case by no later than 09:00 a.m. (UK time) on Monday, May 6, 2019 or 48 hours (not including any part of a day that is not a working day) prior to the time of any adjournment or postponement of the Meeting.

NON-REGISTERED SHAREHOLDERS

Only registered Shareholders or duly appointed proxy holders are permitted to vote at the Meeting. Most Shareholders are "non-registered" shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. More particularly, a person is not a registered Shareholder in respect of shares which are held on behalf of that person (the "**Non-Registered Holder**") but which are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS & Co, the nominee of CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant. In accordance with the requirements as set out in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has distributed the Mailed Materials to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders but is not sending the Mailed Materials directly to non-objecting beneficial owners. The Company intends to pay for Intermediaries to deliver the Mailed Materials to objecting beneficial owners.

Intermediaries are required to forward the Mailed Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the

Mailed Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Mailed Materials will either:

- (a) be sent the form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, it is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with the Company's registrar and transfer agent as provided above; or
- (b) more typically, be sent the voting instruction form which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. Typically, the form will consist of a one page pre-printed form. The Non-Registered Holder must properly complete and sign the form and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company. Alternatively, Non-Registered Holders can submit their instruction online at www.proxyvote.com.

In either case, the purpose of this procedure is to permit a Non-Registered Holder to direct the voting of the shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the management proxy holders named in the form and insert the Non-Registered Holder's name in the blank space provided.

Holders of Depositary Interests will be invited to attend the Meeting by Computershare Company Nominees Limited in its capacity as custodian for the Depositary Interests and on behalf of the Company. If you are a holder of Depositary Interests, please fill in the form of instruction (the "**Form of Instruction**") provided and return such Form of Instruction to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, United Kingdom, not less than 72 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment thereof. The completion and return of the Form of Instruction will not preclude you from attending the Meeting and voting in person if you so wish. Should you wish to attend the Meeting and/or vote at the Meeting please notify Computershare Investor Services PLC in writing at the address above or email !UKALLDITeam2@computershare.co.uk.

In all cases, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or voting instruction form is to be delivered.

ELECTRONIC VOTING INSTRUCTIONS VIA THE CREST VOTING SYSTEM

Depositary Interest holders who are CREST members and who wish to issue instructions through the CREST electronic voting appointment service may do so by using the procedures described in the CREST manual (available from www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting services provider(s), who will be able to take the appropriate action on their behalf.

In order for instructions made using the CREST service to be valid, the appropriate CREST message (a CREST Voting Instruction) must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited ("EUI") and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it relates to the voting instruction or to an amendment to the instruction given to Computershare Investor Services PLC must, in order to be valid, be transmitted so as to be received by Computershare Investor Services PLC (CREST ID 3RA50) not less than 72 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment thereof. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST voting instruction by the CREST applications host) from which Computershare Investor Services PLC is able to retrieve the CREST voting instruction by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST voting instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that the CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a CREST voting instruction is transmitted by means of the CREST service by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST voting instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

You may not use any electronic address provided in this document to communicate with the Company for any purposes other than those expressly stated.

INTERESTS OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Other than the reappointment of Directors and members of the Audit Committee of the Board, none of the Directors or executive officers of the Company, none of the persons who have been Directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

PRESENTATION OF FINANCIAL STATEMENTS

The Company's audited consolidated financial statements for the financial year ended December 31, 2018, together with the report of the auditor thereon, will be placed before the Meeting. The annual audited consolidated financial statements of the Company together with management's discussion and analysis are available on SEDAR at www.sedar.com or on the Company's website at www.caledoniamining.com and the notice in the Mailed Materials advises Shareholders as to where they can be found. No vote with respect thereto is required or will be taken.

REAPPOINTMENT OF DIRECTORS

The Board of Directors comprises six members, all of whom will be standing for reappointment at the Meeting. The Board has determined that the number of Directors to be appointed at the Meeting is six. All Directors so appointed will, subject to the articles of association of the Company and to applicable laws, hold office until the close of the next annual general meeting of Shareholders, or until their respective successors are appointed.

The following table sets forth for all persons proposed to be nominated for appointment as Directors, the positions and offices with the Company now held by them, their present principal occupation and principal occupation(s) for the preceding five years, the periods during which they have served as Directors, their respective status as an independent or non-independent Director, and the number of Common Shares beneficially owned, directly or indirectly, by each of them, or over which they exercise control or direction as of April 1, 2019.

| Name, Office Held and Municipality of Residence | Principal Occupations during past 5 years | Director Since and Independence Status | Number of Common Shares* As of April 1, 2019 |
|--|--|---|---|
| Leigh A. Wilson ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁷⁾⁽⁸⁾ Non-Executive Director Stuart, Florida, USA | Chairman of the Victory Portfolios Winston Maritime LLC Stella and Hack Wilson Family Foundation Martin Health Foundation | 2012 Independent | 52,000 |
| Steven Curtis ⁽⁵⁾⁽⁶⁾⁽⁷⁾ Chief Executive Officer & Director | Previous VP Finance, and Director of the Company and Director of certain of its subsidiary companies | 2008 Non-Independent | 161,382 |

| Name, Office Held and Municipality of Residence | Principal Occupations during past 5 years | Director Since and Independence Status | Number of Common Shares* As of April 1, 2019 |
|--|---|--|--|
| Johannesburg, South Africa | | | |
| Mark Learmonth ⁽⁵⁾⁽⁷⁾ Chief Financial Officer & Director Jersey, Channel Islands | Vice-President of the Company focused on financial reporting, investor and shareholder relations and corporate development. Former Vice-President Business Development of the Company | 2014 Non-Independent | 149,775 |
| John Kelly ⁽¹⁾⁽²⁾⁽³⁾⁽⁵⁾⁽⁷⁾ Non-Executive Director New Canaan, Connecticut USA | Independent Trustee, The Victory Funds (From February 2015). Non-Executive Member of CrossRoad LLC (From May 2009). Partner, McCarvill Capital Partners (September 2016 to September 2017). Managing Partner, Endgate Commodities LLC (August 2014 to January 2016). Adviser, Endgate Commodities LLC (January to April 2016). Chief Operating Officer, Liquidnet Holdings Inc. (2011-2014) | 2012 Independent | 29,493 |
| Johan Holtzhausen ⁽¹⁾⁽²⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾ Non-Executive Director Western Cape, South Africa | Business consultant and Independent Director of DRDGOLD Limited. | 2013 Independent | 19,000 |
| John McGloin ⁽¹⁾⁽³⁾⁽⁴⁾⁽⁶⁾⁽⁷⁾ Non-Executive Director Bishops Stortford, United Kingdom | Previous Executive Chairman and Chief Executive Officer of Amara Mining Plc. Current non-executive Director of Perseus Mining Limited | 2016 Independent | Nil |

Notes:

- ⁽¹⁾ Member of Audit Committee.
- ⁽²⁾ Member of Compensation Committee.
- ⁽³⁾ Member of Corporate Governance Committee.
- ⁽⁴⁾ Member of Nomination Committee.
- ⁽⁵⁾ Member of Disclosure Committee.
- ⁽⁶⁾ Member of Technical Committee.
- ⁽⁷⁾ Member of Strategic Planning Committee.
- ⁽⁸⁾ Chairman of the Board of Directors.

*The information in this Circular as to shares beneficially owned or controlled or directed not being within the knowledge of the Company has been furnished by the respective nominees individually.

All of the nominees are now members of the Board of Directors and have been since the dates indicated above. **The persons named in the proxy form, if named as proxy, intend to vote FOR the reappointment of the above nominees unless a Shareholder has specified in his proxy that his shares are to be voted against such resolutions.** Management does not contemplate that any of the nominees will be unable to serve as a Director but, if that should occur for any reason prior to the Meeting, the persons named in the form of proxy reserve the right to vote for another nominee in their discretion.

Bankruptcy, Insolvency and Cease-Trade Order

To the knowledge of the Company, except as noted below, none of the nominees:

- (a) is, as of the date of this Circular, nor has been within ten years before the date of this Circular, a director, chief executive officer or chief financial officer of a corporation that: (i) was subject to a cease trade order, an order similar to a cease trade order or an order which denied the relevant corporation access to any exemption under securities legislation which was in effect for a period of more than 30 consecutive days that was issued while the nominee was acting in the capacity of director, chief executive officer or chief financial officer; or (ii) was subject to a cease trade order, an order similar to a cease trade order or an order which denied the relevant corporation access to any exemption under securities legislation that was issued after the nominee ceased to be a director, chief executive officer or chief financial officer and which resulted from an

event that occurred while that person was acting in the capacity of director, chief executive officer or chief financial officer;

- (b) is, as of the date of this Circular, nor has been within ten years before the date of this Circular, a director or executive officer of any corporation, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within ten years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the nominee.

At the date of this Circular Johan Holtzhausen is also a director of a public issuer, being DRDGOLD Limited.

APPOINTMENT OF AUDITOR

The Shareholders will be asked to vote for the reappointment of BDO South Africa Inc (formerly Grant Thornton Johannesburg Partnership) (“**BDO**”) as auditor of the Company to hold office until the next annual general meeting of Shareholders or until its successor is duly appointed, at remuneration to be settled by the Board of Directors. Grant Thornton Johannesburg Partnership changed its network firm membership from Grant Thornton to BDO following the merger of Grant Thornton Johannesburg Partnership and BDO South Africa Inc on December 1, 2018. Grant Thornton Johannesburg Partnership (now known as BDO South Africa Inc) has been the auditor of the Company since June 27, 2018.

The persons named in the form of proxy, if named as proxy, intend to vote FOR the resolution regarding the reappointment of BDO as the Company’s auditor and the authorisation of the Directors to fix the auditor’s remuneration unless a Shareholder has specified in his proxy that his shares are to be voted against such resolution.

APPOINTMENT OF AUDIT COMMITTEE MEMBERS

In accordance with the charter of the Audit Committee of the Board of Directors (a copy of which is set out at Appendix “C”), Shareholders will be asked to reappoint certain Directors as members of the Audit Committee of the Board for the ensuing year, each such resolution to be proposed as a separate resolution. Each of the nominees, which are members of the Board, satisfies the eligibility requirements for serving on the Audit Committee as set out in the charter of the Committee.

The persons named in the form of proxy, if named as proxy, intend to vote FOR the resolutions regarding the reappointment of the above nominees unless a Shareholder has specified in his proxy that his shares are to be voted against such resolutions. Management does not contemplate that any of the nominees will be unable to serve as a member of the Audit Committee but, if that should occur for any reason prior to the Meeting or if a nominee is not reappointed as a Director at the Meeting, the persons named in the form of proxy reserve the right to vote for another nominee proposed by the chairman of the Meeting at their discretion.

OTHER MATTERS TO BE ACTED UPON

The management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the Common Shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the person voting such proxy.

BURN RATE DISCLOSURE

In accordance with the requirements of the TSX, listed below are the annual burn rates of each security-based compensation arrangement maintained by the Company for the three most recently completed fiscal years.

| Security based compensation arrangement | Year ended December 31, 2018 | Year ended December 31, 2017 * | Year ended December 31, 2016 * |
|--|------------------------------|--------------------------------|--------------------------------|
| Equity share options granted under the Plan | 10,000 | 5,000 | 18,000 |
| Restricted share units (“RSUs”) granted under the Plan | 0 | 14,889 | 73,606 |
| Performance units (“PSUs”) granted under the Plan | 0 | 16,708 | 306,920 |
| Issued securities (Weighted average number of shares) | 10,603,153 | 10,607,882 | 10,457,242 |
| Burn rate percentage ** | 0.09% | 0.34% | 3.81% |

*Quantities adjusted after the 1:5 share consolidation on June 26, 2017.

** Burn rate calculated based on a 84% (2017:94%; 2016:100%) performance multiplier for 2018. The calculation is based on all RSUs and PSUs being paid out in shares although they can be paid out in cash, shares or a combination of both, at the request of the holder. None of the PSUs or RSUs had vested as at December 31, 2018.

EQUITY COMPENSATION PLAN INFORMATION

| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants and rights as at May 31, 2019 | Weighted-average exercise price of outstanding options, warrants and rights | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column) |
|---|--|---|---|
| Equity compensation plans approved by securityholders | 38,000 | Can\$9.49 | 1,036,990 |
| Equity compensation plans not approved by securityholders | Nil | Nil | Nil |
| Total | 38,000 | Can\$9.49 | 1,036,990 |

As of the date of this Circular, the Company has 10,749,904 Common Shares issued and outstanding. Options cannot be granted on this date as to more than 1,074,990 Common Shares, being 10% of the issued and outstanding Common Shares. As of the date of this Circular, the Company has granted options pursuant to the Plan to one of its Directors and certain of its service providers exercisable for 38,000 Common Shares (representing approximately 0.35% of the Common Shares issued and outstanding). Therefore, the Company could, based on the present issued Common Shares, issue options exercisable for an additional 1,036,990 Common Shares (approximately 9.65%), on the assumption that all of the RSUs and PSUs are settled in cash only. All options vested on award and the names of option holders, exercise prices, expiry dates and numbers of options are as follows:

| Name | Role | Exercise Price Can\$ | Expiry Date | Number of Options |
|-----------------------------|------------------------|----------------------|------------------|-------------------|
| DSA Corporate Services Inc. | Advisor | 4.00 | October 8, 2020 | 5,000 |
| J McGloin | Non-Executive Director | 11.50 | October 13, 2021 | 18,000 |
| J Staiger | Consultant | 8.10 | May 30, 2022 | 5,000 |

| | | | | |
|--------------|------------|-------|-----------------|---------------|
| P Chidley | Consultant | *9.30 | August 25, 2024 | 5,000 |
| P Durham | Consultant | *9.30 | August 25, 2024 | 5,000 |
| TOTAL | | | | 38,000 |

*The exercise price of Can\$9.30 per share was converted into a USD amount of \$7.35 at the prevailing USD/Can\$ exchange rate on grant date.

In terms of the Plan, the expiry of the options that expire in a closed period will be extended by 10 days from the cessation of the closed period.

Employees, Directors and consultants of the Company and its affiliates are eligible to participate in the Plan (the “**Eligible Participants**” and, following the grant of an award (an “**Award**”) pursuant to the Plan, the “**Participants**”). The purposes of the Plan is: (i) to promote a significant alignment between Eligible Participants and the growth objectives of the Company; (ii) to associate a portion of Participants’ compensation with the performance of the Company over the long term; and (iii) to attract, motivate and retain the critical employees to drive the business success of the Company.

The Board or a committee authorised by the Board (the “**Committee**”) is responsible for administering the Plan. The Committee has full and exclusive discretionary power to interpret the terms and the intent of the Plan and any Award agreement or other agreement in connection with the Plan, to determine eligibility for Awards, and to adopt such rules, regulations and guidelines for administering the Plan as the Committee may deem necessary or proper. The Plan permits the Committee to grant Awards for stock options (“**Options**”), share appreciation rights (“**SARs**”) restricted shares (“**Restricted Shares**”), RSUs, deferred stock units (“**DSUs**”), performance shares (“**Performance Shares**”), PSUs and share-based awards (“**SBA**s”) to Eligible Participants.

The number of Common Shares reserved for issuance to participants under the Plan and all other share compensation arrangements of the Company will not exceed an aggregate of 10% of the issued and outstanding Common Shares from time to time. Subject to applicable law, the requirements of the TSX and any shareholder or other approval which may be required, the Board may in its discretion amend the Plan to increase such limit without notice to any Participants.

The number of Common Shares reserved for issue pursuant to all share compensation arrangements to insiders of the Company will not exceed an aggregate of 10% of the aggregate outstanding Common Shares. Within any one-year period, the number of Common Shares issued to insiders pursuant to the Plan and all other share compensation arrangements of the Company will not exceed an aggregate of 10% of the aggregate outstanding Common Shares.

The number of Common Shares equivalent to the number of Awards that have been issued, exercised, terminated, cancelled, redeemed, repurchased or expired, at any time, are immediately re-reserved for issuance under the Plan and available for future issuances subject to the limits contained in the Plan. The Plan does not provide for financial assistance to Participants with respect to an Award granted under the Plan except that procedures allowing for “cashless exercise” of Options may be permitted whereby a participant may receive the net value of an Option that is exercised without paying the exercise price directly.

All Awards made under the Plan, including but not limited to all Options, RSUs and PSUs, were consolidated on the same 1:5 basis as the effective 1:5 share consolidation which occurred on June 26, 2017.

Options

An Option is a conditional right to purchase Common Shares at a stated option price for a specified period of time. The Committee may grant Options to any Eligible Participant at any time, in such number and on such terms as will be determined by the Committee in its discretion. The exercise price for any Option granted pursuant to the Plan will be determined by the Committee and specified in the Award agreement. The price will not be less than the fair market value of the Common Shares on the day of grant (which cannot be less than the greater of (i) the volume weighted

average trading price of the Common Shares on the TSX for the five trading days immediately prior to the grant date; or (ii) the closing price of the Common Shares on the TSX on the trading day immediately prior to the grant date). The Committee may impose such restrictions on Common Shares acquired pursuant to an Option granted under the Plan as it deems advisable.

Options will vest and become exercisable at such times and on the occurrence of such events, and be subject to such restrictions and conditions, as the Committee in each instance approves.

Options will expire at such time as the Committee determines at the time of grant; provided, however that no Option will be exercisable later than the tenth anniversary date of its grant, except where the expiry date of any Option would occur in a blackout period or within five days of the end of a blackout period, in which case the expiry date will be automatically extended to the tenth business day following the last day of a blackout period.

Share Appreciation Rights

Share Appreciation Rights or SARs are the conditional right to receive the difference between the fair market value of a Common Share on the date of exercise over the grant price. The fair market value, being a price that is determined by the Committee, cannot be less than the greater of (i) the volume weighted average trading price of the Common Shares on the TSX for the five trading days immediately prior to the grant date or (ii) the closing price of the shares on the TSX on the trading day immediately prior to the grant date. The Committee may grant SARs to any Eligible Participant at any time and on such terms as will be determined by the Committee in its discretion. The grant price of any SAR granted pursuant to the Plan will be determined by the Committee and specified in the Award agreement. The price will not be less than the fair market value of the Common Shares on the day of grant. The grant price of a SAR granted in conjunction with Options (“**Tandem SAR**”) will be equal to the option price of the related Option. SARs will vest and become exercisable upon whatever terms and conditions the Committee, in its discretion, imposes. Additionally, Tandem SARs will only be exercisable upon the surrender of the right to receive Common Shares under the related Options. SARs will expire at such time as the Committee determines and, except as determined otherwise by the Committee and specified in the SAR Award agreement, no SAR will be exercisable later than the tenth anniversary date of its grant. However, the expiry date of any SAR shall be extended to the tenth business day following the last day of a blackout period if the expiry date would otherwise occur in a blackout period or within five days of the end of the blackout period.

Upon the exercise of a SAR, a Participant shall be entitled to receive payment from the Company in an amount representing the difference between the fair market value of the underlying Common Shares on the date of exercise over the grant price. At the discretion of the Committee, the payment upon SAR exercise may be in cash, shares of equivalent value, in some combination thereof, or in any other form approved by the Committee at its sole discretion.

No SARs have been granted by the Company as at the date of this Circular.

Restricted Shares and RSUs

Restricted Shares are awards of Common Shares that are subject to forfeiture based on the passage of time, the achievement of performance criteria, and/or upon the occurrence of other events, over a period of time, as determined by the Committee. Restricted Share Units are similar to Restricted Shares, but provide a right to receive Common Shares or cash or a combination of the two upon settlement. The Committee may grant Restricted Shares and/or RSUs to any Eligible Participant at any time and on such terms as the Committee determines. The Committee may impose such restrictions and conditions on any Restricted Share or RSU granted pursuant to the Plan as it may deem advisable. During the period of restriction, Participants holding Restricted Shares have full voting rights. The Committee may determine that holders of Restricted Shares and/or RSUs be credited with consideration equivalent to dividends declared by the Board and paid on outstanding Common Shares.

Unless otherwise determined by the Committee or as set out in any Award agreement, no RSU will vest later than three years after the date of grant. When a RSU becomes payable, the Company may make payments in settlement of such units in cash, Common Shares of equivalent value, or some other form as determined by the Committee in its discretion.

No Restricted Shares have been granted by the Company as at the date of this Circular. 10,514 RSUs have been granted and are outstanding at the date of this Circular. See Executive Compensation for details of those granted in the last financial year.

Deferred Share Units

DSUs are awards denominated in units that provide the holder with a right to receive Common Shares or cash or a combination of the two upon settlement. The Committee may grant DSUs to any Eligible Participant at any time, in such number and on such terms as will be determined in by the Committee in its discretion.

No DSUs have been granted by the Company as at the date of this Circular.

Performance Shares and PSUs

Performance Shares are awards, denominated in Common Shares, the value of which at the time it is payable is determined as a function of the extent to which corresponding performance criteria have been achieved. PSUs are equivalent to Performance Shares but are denominated in units. The Committee may grant Performance Shares and/or PSUs to any Eligible Participant at any time, in such number and on such terms as may be determined by the Committee in its discretion. Each Performance Share and PSU will have an initial value equal to the fair market value of a Common Share on the date of grant. The Committee will set performance criteria for a Performance Share or PSU in its discretion and the period of time during which the assigned performance criteria must be met. The extent to which the performance criteria is met will determine the ultimate value and/or number of Performance Shares or PSUs that will be paid to the Participant.

The Committee may pay earned Performance Shares or PSUs in the form of cash or Common Shares equal to the value of the Performance Share or PSU at the end of the performance period. The Committee may determine that holders of Performance Shares or PSUs be credited with consideration equivalent to dividends declared by the Board and paid on outstanding Common Shares.

No Performance Shares have been granted by the Company as at the date of this Circular. 162,270.61 PSUs have been granted and are outstanding at the date of this Circular. See Executive Compensation for details of those granted in the last financial year.

Share-Based Awards

The Committee may, to the extent permitted by the TSX, grant other types of equity-based or equity-related Awards not otherwise described by the terms of the Plan in such amounts and subject to such terms and conditions as the Committee determines; provided that the maximum number of SBAs issued in any calendar year shall not exceed one per cent (1%) of the issued and outstanding Common Shares on January 1 of such calendar year. Such SBAs may involve the transfer of actual Common Shares to Participants, or payment in cash or otherwise of amounts based on the value of Common Shares, subject to applicable corporate law and securities law requirements.

No SBAs have been granted by the Company as at the date of this Circular.

Assignability

Other than Restricted Shares and RSUs, Awards will be non-transferable and non-assignable except as provided in a Participant's Award agreement, by will or by the law of descent and distribution. Such Awards will be exercisable during the Participant's lifetime only by the Participant. Restricted Shares and RSUs will be non-transferable and non-assignable until the end of the applicable period of restriction specified in the Award agreement (and in the case of RSUs until the date of settlement through delivery or other payment), or upon earlier satisfaction of any other conditions as specified by the Committee.

Cessation of Awards

Death

If the Participant dies while an employee, Director of, or consultant to, the Company or an affiliate: (i) any of the Options held by the Participant that are exercisable at the date of death continue to be exercisable by the executor or administrator of the Participant's estate until the earlier of twelve months after the date of death and the date on which the exercise period of the particular Option expires; (ii) any Restricted Shares, RSUs, Performance Shares or PSUs held by the Participant that have vested as at the date of death will be paid to the Participant's estate (iii) any of the Options held by the Participant that are not yet vested at the date of death immediately expire; (iv) the number of Performance Shares or PSUs held by the Participant that have not vested at the date of death (the "**Deemed Awards**") will be adjusted as set out in the applicable Award agreement; (v) any Restricted Share, RSUs or Deemed Awards held by the Participant that have not vested as at the date of death vest immediately; (vi) the provisions of the applicable award agreement for a particular SAR or DSU shall determine the specific treatment for such SAR or DSU; and (vii) the eligibility of a Participant to receive further grants of the above mentioned Awards under the Incentive Plan ceases as of the date of death.

Disability

If the Participant suffers a disability while an employee, Director of, or consultant to, the Company or an affiliate resulting in termination: (i) any of the Options held by the Participant that are exercisable on the last day worked continue to be exercisable until the earlier of three months after the last day of work and the date on which the exercise period of the particular Option expires; (ii) any of the Options held by the Participant that are not yet vested at the last day of work immediately expire; (iii) the number of Restricted Shares, RSUs, Performance Shares or PSUs held by the Participant that have not vested will be reduced in accordance with the Plan and continue to vest in accordance with the original vesting date; (iv) the provisions of the applicable Award agreement for a particular SAR or DSU shall determine the specific treatment for such SAR or DSU and (v) the eligibility of a Participant to receive further grants of the above mentioned Awards under the Plan ceases as of the last day worked.

Retirement

Upon retirement of a Participant from the Participant's employment or term of office or engagement with the Company or affiliate: (i) any of the Options held by the Participant that are exercisable on the date of retirement continue to be exercisable until the earlier of six months after the date of retirement and the date on which the exercise period of the particular Option expires; (ii) any RSUs, Performance Shares or PSUs held by the Participant that have vested before the date of retirement will be paid to the Participant; (iii) any Restricted Shares, RSUs, Performance Shares or PSUs held by the Participant that have not vested at the date of retirement will continue to vest in accordance with the terms of the Plan and Award agreement following the date of retirement until the earlier of the date determined by the Committee and the date on which the RSUs or PSUs vest pursuant to the original Award agreement; (iv) any of the Options held by the Participant that are not yet vested at the date of retirement immediately expire; (v) the provisions of the applicable award agreement for a particular SAR or DSU shall determine the specific treatment for such SAR or DSU; and (vi) the eligibility of a Participant to receive further grants of the above mentioned Awards under the Plan ceases, with respect to Options, as of the date that the Company or an affiliate provides the Participant with written notification that the Participant's employment or term of office or engagement, is terminated and, with respect to Restricted Shares, RSUs, Performance Shares and PSUs, the date of retirement.

Termination

Upon termination of the Participant's employment or term of office or engagement with the Company for any reason other than death or voluntary retirement or disability: (i) any of the Options held by the Participant that are exercisable on the termination date continue to be exercisable until the earlier of three months after the termination date and the date on which the exercise period of the particular Option expires; (ii) any RSUs, Performance Shares or PSUs held by the Participant that have vested before the termination date will be paid to the Participant; (iii) any Restricted Shares, RSUs, Performance Shares or PSUs held by the Participant that are not yet vested at the termination date will be immediately cancelled; (iv) any of the Options held by the Participant that are not yet vested at the termination date immediately expire; (v) the provisions of the applicable Award agreement for a particular SAR or DSU shall determine

the specific treatment for such SAR or DSU; and (vi) the eligibility of a Participant to receive further grants of the above mentioned Awards under the Plan ceases as of the date that the Company or an affiliate provides the Participant with written notification that the Participant's employment or term of office or engagement, is terminated.

Corporate Reorganisation and Change of Control

In the event of any merger, arrangement, amalgamation, consolidation, reorganisation, recapitalisation, separation, stock dividend, extraordinary dividend, stock split, reverse stock split, split up, spin-off or other distribution of stock or property of the Company, combination of securities, exchange of securities, dividend in kind, or other like change in capital structure or distribution to shareholders of the Company, or any similar corporate event or transaction (a "**Corporate Reorganisation**"), the Committee will make or provide for such adjustments or substitutions as are equitably necessary in: (i) the number and kind of securities that may be issued under the Plan, (ii) the number and kind of securities subject to outstanding Awards, (iii) the price applicable to outstanding Awards, (iv) the total share authorisation, (v) the limit on issuing Awards except as provided for in the Plan, and (vi) any other value determinations applicable to outstanding Awards or to the Plan.

In connection with a Corporate Reorganisation, the Committee will have the discretion to permit a holder of Options to purchase on the exercise of such Option, in lieu of the Common Shares, securities or other property that the holder would have been entitled to receive as a result of the Corporate Reorganisation if that holder had owned all Common Shares that were subject to the Option.

In the event of a change in the control of the Company (a "**Change of Control**"), the Committee will have discretion to cancel all outstanding Options, SARs, and DSUs, and the value of such Awards will be paid in cash. However, no cancellation will occur with respect to an Award if the Committee determines, in good faith, that the Award will be honoured, assumed or substituted by a successor company or affiliate, provided that such honoured, assumed or substituted Award must: (a) be based on stock which is traded on the TSX and/or an established securities market in London, England or the United States; (b) provide such Participant with rights and entitlements substantially equivalent to or better than the rights, terms and conditions applicable under such Award; (c) recognise, for the purpose of vesting provisions, the time that the Award has been held prior to the Change of Control; and (d) have substantially equivalent economic value to such Award.

A Change of Control will not result in the vesting of unvested Restricted Shares, RSUs, Performance Shares or PSUs provided that: (i) such unvested Awards will continue to vest in accordance with the Plan and applicable Award agreement; (ii) any successor entity agrees to assume the obligations of the Company in respect of such unvested awards; and (iii) for Performance Shares or PSUs, the level of achievement of performance goals for fiscal years completed prior to the date of the Change of Control will be based on the actual performance achieved to the date of the Change of Control and the level of achievement of performance goals for fiscal years completed following the date of the Change of Control will be based on the assumed achievement of 100% of the performance goals. Where a Participant's employment or term of office or engagement is terminated for any reason, other than for cause, during the 24 months following a Change in Control, any unvested Restricted Shares, RSUs, Performance Shares or PSUs: (i) will be deemed to have vested as at the date of such termination and will become payable as at the date of termination; and (ii) for Performance Shares or PSUs, the level of achievement of performance goals for any unvested Awards that are deemed to have vested pursuant to (i) above, shall be based on the actual performance achieved at the end of the fiscal year immediately prior to the date of termination.

Procedures for Amending

Except as set out below, and as otherwise provided by law or stock exchange rules, the Plan may be amended, altered modified, suspended or terminated by the Committee at any time, without notice or approval from shareholders, including but not limited to for the purposes of:

- (a) making any amendments to the general vesting provisions of any Award;
- (b) making any amendments to the general term of any Award provided that no Award held by an insider may be extended beyond its original expiry date;

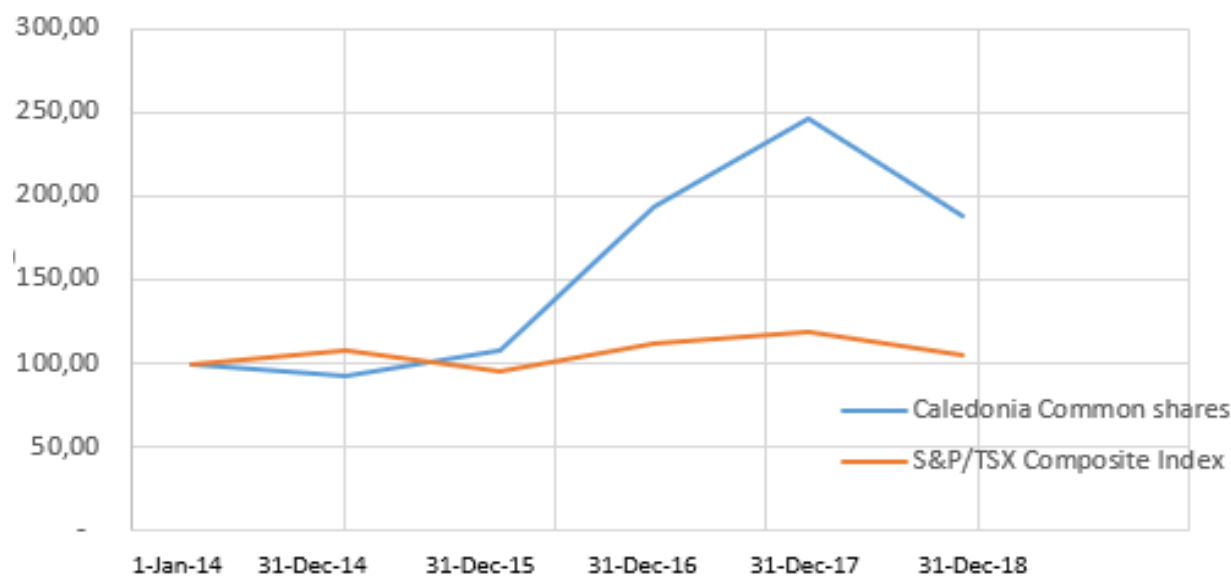
- (c) making any amendments to add covenants or obligations of the Company for the protection of Participants;
- (d) making any amendments not inconsistent with the Plan as may be necessary or desirable with respect to matters or questions which, in the good faith opinion of the Board, it may be expedient to make, including amendments that are desirable as a result of changes in law or as a “housekeeping” matter; or
- (e) making such changes or corrections which are required for the purpose of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error.

Amendments requiring the prior approval of the Shareholders are: (i) a reduction in the price of a previously granted Option or SAR benefitting an insider; (ii) an increase to the total number of Common Shares available under the Plan; (iii) an increase to the limit on the number of Common Shares issued or issuable under the Plan to insiders; (iv) an extension of the expiry date of an Option or SAR; and (v) any amendment to the amendment provisions of the Plan.

Other than expressly provided for in an Award Agreement or the Plan, the Committee will not alter or impair any rights or increase any obligations with respect to an Award previously granted under the Plan without the consent of the Participant.

PERFORMANCE GRAPH

The following graph and table (in Canadian dollars) compares the year-end value of the Common Shares of the Company with the S&P/TSX Composite Total Return Index as at December 31 of each year for the last five years on the basis of cumulative total return, assuming a \$100 investment on January 1, 2014:



| | 31-Dec-14 | 31-Dec-15 | 31-Dec-16 | 31-Dec-17 | 31-Dec-18 |
|-------------------------|-----------|-----------|-----------|-----------|-----------|
| S&P/TSX Composite Index | \$92.00 | \$108.00 | \$193.33 | \$246.67 | \$188.00 |
| Common Shares | \$107.42 | \$95.51 | \$112.23 | \$119.00 | \$105.15 |

Over the period January 1, 2014 to December 31, 2018, the total return on the Common Shares increased by 46.8%; over the same period total compensation paid to NEOs (defined below) increased by 29.4%. Other than the value accruing to NEOs on the share options that have been granted and their participation in the LTIP (as defined below), the remuneration of NEOs has not been related to the performance of the Common Shares.

EXECUTIVE COMPENSATION

A named executive officer (“NEO”) means each of the following individuals:

- (a) the Chief Executive Officer;
- (b) the Chief Financial Officer;
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than Can\$150,000, as determined in accordance with subsection 1.3(6) of form 51-102F6, for that financial year.

Compensation Discussion and Analysis

As at December 31, 2018, the NEOs consist of: (i) Steven Curtis, Chief Executive Officer (ii) Mark Learmonth, Chief Financial Officer; (iii) Caxton Mangezi, General Manager and director of the Blanket Mine; (iv) Dana Roets, Chief Operating Officer; and (v) Adam Chester, General Counsel, Company Secretary and Head of Risk and Compliance.

The Company pays and rewards its NEOs in the amounts specifically detailed below. The following comments with respect to the remuneration of the NEOs are provided pursuant to the requirements of National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI 51-102”):

- (a) In providing the compensation, and structuring it with the various elements, the Company’s objective is to reward the NEOs generously enough that they are sufficiently happy with their remuneration that they are keen to stay in the service of the Company and motivated to provide the highest quality services possible.
- (b) The compensation packages of the NEOs contain various elements. The remuneration for each of Messrs. Curtis, Learmonth, Mangezi, Roets and Chester in 2018 consists of a salary and discretionary bonus. Following the approval of the Plan in 2015 and its reapproval in 2018, the NEOs participate in the Plan, the first awards under which were made in 2016. Following vesting on January 11, 2019 and March 23, 2019 of the awards made under the Plan in 2016, further awards were made on those dates as described below. None of the NEOs hold share purchase options nor did they hold share purchase options during 2018. All components of executive remuneration are recommended to the Compensation Committee for approval.
- (c) Pursuant to the approval of the Plan by Shareholders, in 2016 and 2017 the Company made long term incentive plan awards to NEOs in the form of RSUs and PSUs and, following reapproval by Shareholders of the Plan in 2018, made further awards in 2019, coinciding with the vesting of awards made in 2016, in the form of PSUs (awards are also referred to herein as “LTIP”). RSUs and PSUs that were granted in 2016 and 2017 were originally to be settled in cash. Following expressions of interest by certain of the NEOs in accepting shares in payment for some or all of their LTIP awards, which the Board found to be an encouraging sign of support by NEOs for the Company’s future performance, the Board approved amendments to the LTIP awards on May 8, 2018 to allow for settlement in cash, shares (issuable at Fair Market Value (as defined in the Plan)) or a combination of both. LTIP awards are intended to create a high degree of alignment between the remuneration of the Company’s senior management team and the interests of Shareholders. Accordingly, 80% of the value of the LTIP awarded in 2016 and 2017 for each participant was made up of PSUs and 100% of the LTIP awarded in 2019 is made up of PSUs. The final number of PSUs which vest on maturity of the award is adjusted to reflect the actual performance of the Company in terms of three criteria: for the awards made prior to 2019, progress on the sinking of the Central Shaft; gold production and production costs and, for the awards made in 2019, gold production. The Compensation Committee resolved to apply a multiplier of 92.62% for the PSUs vesting in 2019. This reflected performance against the most recent annual budget and took into account that the Board had approved significant operational changes during the performance period which required modifying the target criteria to updated performance expectations. The number of RSUs (which made up 20% of the total award for each participant) that vested did not change according to performance although had increased due to dividend reinvestment (there is no dividend reinvestment for PSUs during the performance period). The amounts payable to NEOs in respect of the vesting of the awards

made in 2016 were calculated on the basis of the Fair Market Value. Two NEOs elected to receive shares equivalent to the number of their PSUs and RSUs and the other NEOs elected to receive cash. Messrs Curtis and Learmonth elected to receive respectively a total of 67,082 (reduced due to surrender of an amount to settle his up front tax liability on the shares) and 79,669 shares in the form of depositary interests. Messrs Roets and Mangezi elected to receive cash in the amounts of \$267,276.58 and \$220,106.23, following deduction of tax, respectively.

- (d) The total annual LTIP award for Messrs. Learmonth, Mangezi, Roets and Chester is 20% of basic salary; the total annual LTIP award for Mr Curtis is 30% of his basic salary. For Messrs. Curtis, Mangezi and Roets, further PSUs awards originally relating to 2019 and 2020 were combined and made on January 11, 2019 and for Mr Learmonth further PSUs awards originally relating to those years were combined and made on March 23, 2019. The performance criteria to be applied was resolved by the Compensation Committee to be gold production and the vesting date for all of the awards is January 11, 2022. For Mr Chester an immediate award was made in January 2017 covering the 3 years 2017 to 2019; further PSUs awards relating to 2020 and 2021 are expected to be made on the third anniversary of the initial award at which time new performance criteria will be established.
- (e) Neither of the two executive Directors (Messrs. Curtis and Learmonth) received a fee in 2018 in respect of being a Director.
- (f) The various elements of the compensation of the NEOs have been chosen to make the compensation packages competitive with what is offered by other comparable companies. The actual amounts are settled by negotiations with the NEOs from time to time.

Notwithstanding the fact that the value of the Common Shares have, in some years, declined on the markets on which the Common Shares trade, the compensation levels of the Company's NEOs have increased by amounts which were at, or in excess of, the inflation rates experienced in the countries in which the Company conducts its business activities and in which its shares trade. Other than the value accruing to NEOs as a result of the effect of share price movements on the value of their LTIP awards, the compensation of the Company's NEOs is not determined in relation to the prices at which its Common Shares have traded.

Option-based awards

Share option awards were granted to some of the NEOs in previous years at the discretion of the Compensation Committee pursuant to the terms of the option plan which preceded the Plan but no such options are outstanding as at the date of this Circular. No grants of Options to NEOs are envisaged in terms of the Plan. No restrictions are placed on the ability of NEOs to purchase financial instruments which are designed to hedge or offset a decrease in the market value of equity securities or options granted as compensation or held by the NEO.

Compensation governance

The Company has a Compensation Committee ("**Committee**") which is presently comprised of the following Directors: Leigh Wilson, John Kelly and Johan Holtzhausen. All material issues with respect to compensation of the Directors and officers are considered by the Committee. One or more of the Committee members has direct experience that is relevant to his responsibilities in executive compensation due to either current or past work exposures at a senior level. The Committee has the skills and experience that enables it to make decisions on the suitability of the Company's compensation policies and practices and when it feels it does not have sufficient skills it recruits the services of suitably qualified advisors. The Committee obtains recommendations from the Chief Executive Officer for salary adjustments of other NEOs and either approves the recommendation or seeks external advice to support the recommendations made.

Summary Compensation Table

| Name and principal position (a) | Year (b) | Salary (\$) (c) | Share based awards (\$) (d) | Option-based awards (e) | Non-equity incentive plan compensation (\$) (f) | | Pension value (\$) (g) | All other compensation (\$) (h) ⁽²⁾ | Total compensation (\$) (i) |
|--|----------------------|-------------------------------|--------------------------------|----------------------------|--|--|---------------------------|---|--------------------------------|
| | | | | | Annual incentive plans ⁽¹⁾ | Long term incentive plans ⁽¹⁾ | | | |
| Steven Curtis Chief Executive Officer | 2018 2017 2016 | 450,000 428,637 428,637 | - - - | - - - | - - - | 80,562 363,948 214,282 | - - - | 45,000 48,000 42,867 | 575,562 840,585 685,786 |
| Dana Roets Chief Operating Officer | 2018 2017 2016 | 418,182 418,182 418,182 | - - - | - - - | - - - | 52,678 237,966 140,107 | - - - | 41,818 47,000 41,818 | 512,678 703,148 600,107 |
| Mark Learmonth Chief Financial Officer | 2018 2017 2016 | 410,000 410,000 410,000 | - - - | - - - | - - - | 43,267 229,218 122,410 | - - - | 41,000 44,000 41,000 | 494,267 683,218 573,410 |
| Caxton Mangezi General Manager and Director of the Blanket Mine | 2018 2017 2016 | 358,503 348,400 348,400 | - - - | - - - | - - - | 43,379 195,967 115,383 | - - - | 124,518 117,322 173,638 | 526,400 661,689 637,421 |
| Adam Chester General Counsel, Company Secretary and Head of Risk and Compliance | 2018 2017 2016 | 359,178 257,489 - | - - - | - - - | - - - | 14,936 70,019 - | - - - | 32,768 26,686 - | 406,882 354,194 - |

(1) Plan (also referred to herein as long term incentive plan or LTIP) awards are stated at the fair value and option amount outstanding as at December 31, 2018. None of the amounts presented has been paid to date and will vest on the dates mentioned in the table below.

(2) The amounts shown in (h) relate to bonuses paid to NEOs and include, in respect of Mr Mangezi's total for 2017, \$29,033 cash in lieu of leave. No fees for acting as a Director were paid to NEOs.

Outstanding share-based awards and option-based awards

This table shows, for each NEO, all awards outstanding as at December 31, 2018.

| Name | Number of securities underlying unexercised options (unconsolidated) (#) | Option-based Awards | | | Share-based Awards | | |
|------|--|--|------------------------|--|--|---|---|
| | | Option exercise price (Canadian dollars) | Option expiration date | Value of unexercised in-the-money options (Canadian dollars) | Number of shares or units of shares that have not vested (#) | Market or payout value of share-based awards that have not vested | Market or payout value of vested share-based awards not paid out or distributed |

| | | | | | | (Canadian dollars) (1) | (Canadian dollars) |
|----------------|---|---|---|---|---------|------------------------|--------------------|
| Steven Curtis | - | - | - | - | 129,400 | 859,877 | - |
| Mark Learmonth | - | - | - | - | 84,382 | 560,636 | - |
| Caxton Mangezi | - | - | - | - | 69,676 | 491,216 | - |
| Dana Roets | - | - | - | - | 84,608 | 562,229 | - |
| Adam Chester | - | - | - | - | 22,608 | 150,134 | - |

(1) Calculated on the TSX share price of Can\$7.05 on December 31, 2018.

Termination and Change of Control Benefits

Mr. Learmonth, following his relocation to Jersey at the time of the re-domicile of the Company to Jersey, has entered into an employment agreement with the Company effective March 1, 2016, Mr. Chester has entered into an employment agreement with the Company effective January 19, 2017, each of Messrs. Curtis and Roets has entered into an employment agreement effective January 1, 2014 with Caledonia Mining South Africa Proprietary Limited (previously named “Greenstone Management Services Proprietary Limited”), a wholly owned subsidiary of the Company, and Mr. Mangezi has an employment agreement with Blanket Mine (1983) Private Ltd (collectively, the “**Employment Agreements**”). Pursuant to the Employment Agreements, Messrs. Curtis, Roets, Learmonth, Chester and Mangezi are each entitled to certain payments following or in connection with a termination or change of control.

In the event of termination by the Company, the Employment Agreements require payment of: (i) one month’s pay per year of service, pro-rated for part years’ service and calculated on the basis of his current remuneration package; (ii) short term and long term incentives accrued to the last day of employment; and (iii) accumulated but unpaid leave accrued to the last day of employment; (iv) less any amounts owing to the Company. In the event of a termination: (a) by the Company, occurring upon or within 24 months following a change of control of the Company, other than for cause, death or disability, or (b) by the applicable NEO, in certain circumstances occurring within 24 months following a change of control of the Company, such NEO would be entitled to receive, in addition to any other entitlements upon termination: (i) accrued and unpaid amounts of short term incentives and long term incentives; (ii) a lump sum payment equal to 24 months’ pay and; (iii) annual leave accrued.

The following table indicates the estimated termination payment entitlements for applicable NEOs in the event of a termination: (a) in the event of a termination of the NEO by the Company on the last day of 2018; and (b) in the event of a termination of the NEO by the Company occurring upon or within 24 months following a change of control of the Company, other than for cause, death or disability.

| | Termination (USD) | Termination following a change of control (USD) |
|----------------|-------------------|---|
| Steven Curtis | \$508,743 | \$930,284 |
| Mark Learmonth | \$473,327 | \$934,343 |
| Dana Roets | \$226,831 | \$875,490 |
| Caxton Mangezi | \$1,433,437 | \$806,057 |
| Adam Chester | \$64,845 | \$724,896 |

DIRECTOR COMPENSATION TABLE

This table shows all amounts of compensation paid or provided to Directors, other than the NEOs whose compensation is detailed in the Summary Compensation Table above, for the Company’s financial year ended December 31, 2018.

| Name | Directors Fees earned (USD) | Share based awards (USD) | Option-based awards granted in year (USD) | Non-equity incentive plan compensation (USD) | Pension value (USD) | All other Compensation (USD) | Total (USD) |
|-------------------|-----------------------------|--------------------------|---|--|---------------------|------------------------------|-------------|
| Leigh Wilson | \$55,000 | - | - | - | - | - | \$55,000 |
| John McGloin | \$60,000 | - | - | - | - | - | \$60,000 |
| John Kelly | \$55,000 | - | - | - | - | - | \$55,000 |
| Johan Holtzhausen | \$55,000 | - | - | - | - | - | \$55,000 |

Outstanding share-based awards and option-based awards

This table shows, for each Director who is not an NEO, all awards outstanding as at December 31, 2018.

| Name | Option-based Awards | | | | Share-based Awards | | |
|-------------------|---|--|------------------------|--|--|--|--|
| | Number of securities underlying unexercised options (un-consolidated) (#) | Option exercise price (Canadian dollars) | Option expiration date | Value of unexercised in-the-money options (Canadian dollars) | Number of shares or units of shares that have not vested (#) | Market or payout value of share-based awards that have not vested (Canadian dollars) | Market or payout value of vested share-based awards not paid out or distributed (Canadian dollars) |
| Leigh Wilson | - | - | - | - | - | - | - |
| John McGloin | 18,000 | 11.5 | October 13, 2021 | - | - | - | - |
| John Kelly | | | | | - | - | - |
| Johan Holtzhausen | | | | | | | |

The Directors are eligible to receive awards in terms of the Plan, but no awards were made during 2018.

The Committee reviews the compensation paid to Directors annually. Based on compensation paid to Directors at other companies comparable to the Company and on the additional risks and responsibilities assumed by the Directors it recommends compensation paid to the Directors. There was no increase in the compensation paid to Directors who are not NEOs during 2018.

No restrictions are placed on the ability of Directors to purchase financial instruments which are designed to hedge or offset a decrease in the market value of equity securities or options granted as compensation or held by the Director.

Since June, 2003 the Company has maintained Directors and Officers Liability insurance for Directors and officers of the Company and its affiliates. The present coverage is of US\$20,000,000 per occurrence and in the aggregate. The annual premium for such Directors and Officers Liability insurance was US\$44,100.

CORPORATE GOVERNANCE PRACTICE

The Company is subject to Canadian National Instrument 58-101 - *Corporate Governance Disclosure* (“**NI 58-101**”). NI 58-101 requires a company to include in its management information circular the disclosure required by Form 58-101F1. Appendix “A” provides certain corporate governance disclosure in respect of the Company.

Mandate of the Board

The Board of Directors is responsible for the overall stewardship of the Company, and has full power and authority to manage and control the affairs and business of the Company. The mandate of the Board of Directors is detailed in the “Charter of the Board of Directors” which is attached as Appendix “B”.

Amongst other things, the Board is responsible for:

1. selecting, appointing, evaluating and (if necessary) terminating the Chief Executive Officer and Chief Financial Officer of the Company and selecting, appointing, evaluating and (if necessary) terminating the chairperson of the Board;
2. adopting a strategic planning process, approving strategic plans and monitoring performance against plans;
3. reviewing and approving annual operational budgets, capital expenditure limits and corporate objectives and monitoring performance on each of the above;
4. reviewing policies and procedures to identify business risks and ensure that systems and actions are in place to monitor them;
5. reviewing policies and processes to ensure that the Company's internal control and management information systems are operating properly;
6. approving the financial statements and MD&A, and making a recommendation to shareholders for the appointment of auditors;
7. approving the Company's Code of Business Conduct, Ethics and Anti-Bribery Policy, monitoring compliance with the code and granting any waivers from the code for the benefit of Directors or officers of the Company in accordance with applicable requirements of securities regulatory authorities or the Toronto Stock Exchange;
8. assessing the contribution of the Board, committees and all Directors annually and planning for succession of the Board;
9. evaluating the relevant relationships of each independent Director and making an affirmative determination that such relationship does not preclude a determination that the Director is independent;
10. arranging formal orientation programs for new Directors, where appropriate, and a continuing education program for all Directors;
11. establishing and maintaining an appropriate system of corporate governance including practices to ensure the Board functions effectively and independently of management, including reserving a portion of all Board and its committee meetings for in camera discussions without management present;
12. reviewing and approving the compensation of members of the senior management team, as well as corporate objectives and goals applicable to each member, in order to ensure that the compensation is competitive within the industry, the composition mix (i.e., between cash, short-term incentives and long-term incentives) is appropriate to incentivize and reward each member relative to his or her responsibilities and the Company's objectives and goals and the form of compensation aligns the interests of each such individual with those of the Company;
13. ensuring that an adequate system of internal control is maintained to safeguard the Company's assets and the integrity of its financial and other reporting systems;
14. ensuring that there is in place a system of internal disclosure controls and procedures that, among other things, creates a disclosure charter setting out the Company's disclosure policy and mandates activities relating to public disclosure, ensures all material information is properly gathered, reviewed and disseminated, and monitors and evaluates compliance with, and the effectiveness of, such controls and procedures;
15. adopting a process for Shareholders and other interested parties to communicate directly with the Board or the independent Directors, as appropriate;

16. reviewing and considering for approval all amendments or departures proposed by management from established strategy, capital and operating budgets, or matters of policy, which diverge from the ordinary course of business;
17. ensuring that a process is established that adequately provides for management succession planning, including the appointing, training, and monitoring of management;
18. being responsible for information technology governance;
19. in addition to the above, adhering to all other Board responsibilities as set forth in the Company's articles of association and other statutory and regulatory requirements.

The Board holds regular meetings and additional meetings to address special items of business. The frequency of meetings, as well as the nature of agenda items, changes depending upon the state of the Company's affairs and in light of opportunities or risks which the Company faces. On average the Board has met approximately 8 times per year during the past five years. In 2018, the Board met 5 times.

As part of the Board's responsibility for the strategic planning process of the Company, the Board considers and, where appropriate, adopts the goals of the business that are proposed by management and the strategies and policies within which the Company is managed. Management is required to seek the approval of the Board for material deviations, financial or otherwise, from the approved business goals, strategies and policies of the Company.

Director Tenure

It is proposed that each of the persons appointed as a Director at the Meeting will serve until the close of the next annual general meeting of the Company or until his successor is elected or appointed. The Board of Directors has not adopted a term limit for Directors. The Board believes that the imposition of director term limits on a board may discount the value of experience and continuity amongst board members and runs the risk of excluding experienced and potentially valuable board members. The Board relies on an annual assessment procedure in evaluating Board members and believes that it can best strike the right balance between continuity and fresh perspectives without mandated term limits.

Board Composition

The Board believes that the extensive knowledge of the Company's business by both the independent and the non-independent Directors is beneficial to the other Directors and their participation as Directors contributes to the effectiveness of the Board. The Board further believes that the business knowledge and experience, particularly in the context of activities in Southern Africa, brought by Messrs. Curtis and Holtzhausen is most valuable to the other Directors as a whole.

The Board considers that its current composition is efficient and appropriate considering the extent of the Company's activities and the location of the properties on which most of its activities are conducted. The Board has concluded that four (4) of the six (6) Directors, Messrs. Wilson, Holtzhausen, McGloin and Kelly are independent Directors within the meaning of the NI 58-101 definitions.

Majority Voting Policy

The Board of Directors adopted a Majority Voting Policy dated February 15, 2013 (the "**Majority Voting Policy**"). Pursuant to the Majority Voting Policy, if a Director nominee had more votes withheld than were voted in favour of him or her, such nominee must have forthwith submitted his or her resignation to the Board of Directors, effective on acceptance by the Board. The Board would refer the resignation to the Corporate Governance Committee for consideration. The Board would promptly accept the resignation unless the Corporate Governance Committee determined that there were extraordinary circumstances relating to the composition of the Board of Directors or the voting results that should delay the acceptance of the resignation or justify rejecting it. In any event, the resignation would be accepted (or in rare cases rejected) within 60 days of the meeting. Following the Board of Directors' decision

on the resignation, the Company would promptly issue a press release disclosing the Board's decision. The Majority Voting Policy did not apply to an election that was contested.

The proxy form includes 'for', 'against' and 'abstain' options for voting, in accordance with voting methods typical to a Jersey incorporated company, rather than using the previous 'in favour' and 'vote withheld' options typical of a Canadian incorporated company. An abstention under Jersey law is not counted for the purposes of calculating a vote and is not included in calculating a quorum. The Majority Voting Policy is not relevant to the extent that the new voting options are used and, instead, if a Director receives more votes 'against' than 'for' his reappointment his appointment will simply be terminated without any requirement to tender his resignation.

Diversity

The Nomination Committee considers diversity in the composition of the Board of Directors and periodically reviews the composition of the Board as a whole to recommend, if necessary, measures to be taken so that the Board reflects the appropriate balance of diversity, knowledge, experience, skills and expertise required for the Board as a whole. Accordingly, while the Board of Directors has not adopted a written policy nor targets relating to the identification and nomination of women directors, the Board of Directors does take into consideration a nominee's potential to contribute to diversity within the Board of Directors. Given that diversity is part of determining the overall balance, which includes gender, the Board has not adopted a gender specific policy target.

The Nomination Committee recognises the value of diversity. Currently, the Board of Directors is comprised of male Directors; however, the Board continues to consider female nominees for any Board of Directors vacancies, provided that such nominees meet the needs of the Company in relation to her attributes and skills.

Consistent with the Company's approach to diversity at the Board level, the Company's hiring practices include consideration of diversity across a number of areas, including gender. Currently all of the executive officer positions of the Company, including its major subsidiaries, are held by men. The Company does not have a target number of women executive officers. Given the small size of its executive team, the Company believes that implementing targets would not be appropriate. However, in its hiring practices, the Company considers the level of representation of women in executive officer positions.

Board Committees

The Board of Directors has seven standing committees: the Audit Committee, the Compensation Committee, the Corporate Governance Committee, the Nomination Committee, the Disclosure Committee, the Technical Committee and the Strategic Planning Committee. The Board also constitutes ad hoc committees from time to time for particular purposes.

Audit Committee

The Audit Committee is comprised of Messrs. Holtzhausen, McGloin and Kelly and is chaired by Mr Holtzhausen. Each member of the Audit Committee is considered independent as defined under NI 52-110 and considered to be financially literate as such terms are defined under National Instrument 52-110 Audit Committees. Mr Holtzhausen is an ex-audit partner of KPMG Inc., Mr McGloin was previously the executive chairman and chief executive officer of Amara Mining Plc and Mr Kelly has over 30 years of experience in the financial services industry in the U.S.A and international markets including emerging markets in Asia. The Audit Committee is responsible for assisting the Board in its oversight of the:

1. integrity, adequacy and timeliness of the Company's financial reporting and disclosure practices;
2. processes for identifying the principal financial risks of the Company and the control systems in place to monitor them;
3. compliance with legal and regulatory requirements related to financial reporting;

4. independence and performance of the auditors;
5. processes implemented by management to ensure effective internal controls over financial reporting;
6. enterprise risk management;
7. fraud risks related to financial reporting;
8. risks related to financial reporting; and
9. integrated reporting.

The Board has adopted an “Audit Committee Charter” which is attached as Appendix “C”.

The following table sets out the Company’s external auditor’s fees billed for its services for the last two financial years of the Company:

| Financial year | Audit Fees | Audit-Related Fees | Tax Fees | All Other Fees |
|----------------|------------|--------------------|----------|----------------|
| 2017 | 179,588 | - | - | 10,508 |
| 2018 | 157,849 | - | - | 19,598 |

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com and on the Company’s website. Financial information is provided in the Company’s consolidated financial statements prepared and audited to December 31, 2018 and in its annual management discussion and analysis (both of which are Meeting Materials) dated as of March 20, 2019.

Copies of any of the documents described in the Circular are available on the Company’s website. They also can be obtained by following the instructions in the Notice of Meeting or contacting the Company at:

3rd Floor
Weighbridge House
Weighbridge
St Helier
Jersey JE2 3NF
Channel Islands
Phone: +44 1534 674800
email: info@caledoniamining.com

APPROVAL

The content of this Circular has been approved by the Board.

DATED as of the 1st day of April, 2019.

By order of the Board of Directors of Caledonia Mining Corporation Plc.

(signed) "*Leigh A. Wilson*"

Leigh A. Wilson
Chairman

APPENDIX “A”

CALEDONIA MINING CORPORATION PLC

FORM 58-101F1

CORPORATE GOVERNANCE DISCLOSURE

CALEDONIA MINING CORPORATION PLC

| | |
|--|--|
| <p>1. Board of Directors (a) Disclose the identity of Directors who are independent.</p> | <p>The Company has determined that 4 of its current 6 Directors are “independent”, within the meaning of NI 58-101. The following Directors are “independent”: - Johan Holtzhausen - John Kelly - Leigh Wilson - John McGloin</p> |
| <p>(b) Disclose the identity of Directors who are not independent, and describe the basis for that determination.</p> | <p>Each of Steven Curtis and Mark Learmonth is not “independent” within the meaning of NI 58-101. Messrs. Curtis and Learmonth are full-time paid executive officers.</p> |
| <p>(c) Disclose whether or not a majority of Directors are independent, describe what the Board does to facilitate its exercise of independent judgment in carrying out its responsibilities.</p> | <p>As per (a) and (b) above, a majority of the Directors are “independent”, within the meaning of NI 58-101.</p> |
| <p>(d) If a Director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the Director and the other issuer.</p> | <p>The only Director who acts as a director of other reporting issuers and the names of the reporting issuers are: Johan Holtzhausen – DRDGOLD Limited</p> |
| <p>(e) Disclose whether or not the independent Directors hold regularly scheduled meetings at which non-independent Directors and members of management are not in attendance. If the independent Directors hold such meetings, disclose the number of meetings held since the beginning of the issuer’s most recently completed financial year. If the independent Directors do not hold such meetings, describe what the Board does to facilitate open and candid discussion among its independent Directors.</p> | <p>The Company holds one regularly scheduled in-person Board meeting annually, held in conjunction with the annual general meeting of Shareholders, occasional other in-person meetings and a number of regularly scheduled or special telephone conference Board meetings each year. The agendas of these meetings occasionally include the holding of a meeting “in camera” which excludes participation by Mr Curtis and Mr Learmonth as Directors representing management of the Company. Open and candid discussion is encouraged at all meetings and especially during “in camera” sessions. Meetings only include meetings of the independent Directors if such a meeting is requested by an independent Director. In 2018 there was a total of 5 meetings of the Board of Directors and no meetings were requested to be attended only by independent Directors.</p> |
| <p>(f) Disclose whether or not the chair of the Board is an independent Director. If the Board has a chair or lead Director who is an independent Director, disclose the identity of the independent chair or lead Director, and describe his or her role and responsibilities. If the Board has neither a chair that is independent nor a lead Director that is independent, describe what the Board does to provide leadership for its independent Directors.</p> | <p>Leigh Wilson, the Chairman of the Board, is independent. The Chairman of the Board has the responsibility of overseeing the efficient operation of the Board and its committees.</p> |
| <p>(g) Disclose the attendance record of each Director for all Board meetings held since the beginning of the issuer’s most recently completed financial year.</p> | <p>The Company held 5 Board meetings in 2018. Each Director attended all of the Board meetings in 2018.</p> |
| <p>2. Board Mandate</p> | <p>The Company has a written Charter of the Board of Directors. It can be viewed on the Company’s website.</p> |

| | |
|--|--|
| <p>Disclose the text of the Board’s written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.</p> | |
| <p>3. Position Descriptions (a) Disclose whether or not the Board has developed written position descriptions for the Chair and the Chair or each Board committee. If the Board has not developed written position descriptions for the Chair and/or the Chair of each Board committee, briefly describe how the Board delineates the role and responsibilities of each such position.</p> | <p>The Board has established position descriptions for the Chairman of the Board as well as for the chairman of each committee. The primary responsibility of the chairman is to ensure that the Board and its committees are operating effectively and meet the objectives set in their respective charters. Committee chairs report periodically to the Board - usually in Board meetings. The composition of the committees can be found on the Company’s website in the Corporate Governance section and on pages 7 and 8 of the Circular.</p> |
| <p>(b) Disclose whether or not the Board and CEO have developed a written position description for the CEO. If the Board and CEO have not developed such a position description, briefly describe how the Board delineates the role and responsibilities of the CEO.</p> | <p>The Charter of the Board of Directors sets out a written position description for the role of the Chief Executive Officer of the Company.</p> |
| <p>4. Orientation and Continuing Education (a) Briefly describe what measures the Board takes to orient new Directors regarding (i) the role of the Board, its committees and its Directors, and (ii) the nature and operation of issuer’s business</p> | <p>The normal orientation for a new Director includes meeting with the other Directors and the senior management of the Company and visiting the mine operation in Zimbabwe. The goal is to provide a new Director with a history of the Company and provide him or her with a briefing of the key strategies and issues that the Company is currently facing. In addition, particularly if the Director is new to the role of director, the orientation also includes a briefing of his/her responsibilities, regarding the legal responsibilities of being a Director and an insider of the Company. The orientation includes a discussion on how the Board and its committees function including the anticipated time commitments. He/she is provided with the relevant documentation including the Company’s corporate governance documents. A new Director is invited to meet the key members of management and to study the Company’s material documents and recently published materials. All of the Directors have visited the operating mine in Zimbabwe. The Directors also undertake training with the Nomad appointed in terms of the AIM rules to ensure they are aware of the rules established for AIM listed companies.</p> |
| <p>(b) Briefly describe what measures, if any, the Board takes to provide continuing education for its Directors. If the Board does not provide continuing education, describe how the Board ensures that its Directors maintain the skill and knowledge necessary to meet their obligations as Directors.</p> | <p>The Company does not provide formal continuing education for its Directors except if and when a Director makes a request. Directors are encouraged to attend relevant seminars and other educational presentations when they are available. Other Directors periodically discuss the performance of the Directors on an informal basis.</p> |
| <p>5. Ethical Business Conduct (a) Disclose whether or not the Board has adopted a written code for the Directors, officers and employees. If the Board has adopted a written code: (i) disclose how a person or company may obtain a copy of the code; (ii) describe how the Board monitors compliance with its code, or if the Board does not monitor compliance, explain whether and how the Board satisfies itself regarding compliance with its code; and (iii) provide a cross-reference to any material change report filed since the beginning of the issuer’s most recently completed financial year that pertains to any conduct of a Director or executive officer that constitutes a departure from the code.</p> | <p>The Board expects Directors, officers and employees to behave ethically at all times and has adopted a written code and policy, the Code of Business Conduct, Ethics and Anti-Bribery Policy, dated June 28, 2018, which can be found on the Company’s website at www.caledoniamining.com in the Corporate Governance section. The Board does not formally monitor compliance with the Code but the Code obliges Directors, officers and employees to report unethical behaviour including bribery and corruption to the Company’s Anti-Bribery Officer, includes a “whistleblower hotline”, requires the business to maintain gift and hospitality registers and also to perform due diligence on significant third party suppliers and contractors and also contains general guidance on anti-bribery and anti tax evasion. Directors have been given training on the contents of the Code and would normally be alert to any violation of the Code through the typical reporting structure of the business and because the Code has been formally circulated to and acknowledged by staff who are expected to be aware of and comply with its provisions. There were no reported incidents relating to the Company’s Code of Business Conduct, Ethics and Anti-Bribery Policy or the predecessor of the Code (which included a code of ethics, whistleblower policy and anti-bribery policy adopted in 2004).</p> |

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| | The Anti-Bribery Policy in the Code sets out the relevant legal requirements of the jurisdictions under which the business of the Company is governed. |
| (b) Describe any steps the Board takes to ensure Directors exercise independent judgment in considering transactions and agreements in respect of which a Director or executive officer has a material interest. | Directors are required to disclose any actual or potential conflict of interest situation. As such, the Director must excuse himself from any such discussions and refrain from voting on any such issues. The chairman may also request that a Director excuse himself or abstain from voting on an issue if he feels that there may be a conflict. |
| (c) Describe any other steps the Board takes to encourage and promote a culture of ethical business conduct. | There is a general prevailing awareness by the Directors that they are expected to cause the Company to maintain ethical business conduct. The Company's general counsel is mandated by the Board to provide training to current and future staff of the Company's group on ethical conduct and in particular on awareness and understanding of the Company's Code of Business Conduct, Ethics and Anti-Bribery Policy. |
| 6. Nomination of Directors (a) Describe the process by which the Board identifies new candidates for Board nomination. | The Company's Nomination Committee consists of Leigh Wilson (the Chairman of the Board), Johan Holtzhausen, and John McGloin . The Nomination Committee generally undertakes no activities except if and when the Board determines that a new Director should or must be appointed. However, all Directors recognise the value of having persons on the Board who can contribute and all Directors therefore have an open mandate to stay alert to identifying persons who would be potentially valuable additions to the Board and to make recommendations in that regard to the Nomination Committee. |
| (b) Disclose whether or not the Board has a nominating committee composed entirely of independent Directors. If the Board does not have a nominating committee composed entirely of independent Directors, describe what steps the Board takes to encourage an objective nomination process. | The Nomination Committee is comprised of three independent Directors. As to the Committee's objectivity see sub-clause 5. (b) above. |
| (c) If the Board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee. | See above. Also refer to the charter of the Nomination Committee which is available on the Company's website. |
| 7. Compensation (a) Describe the process by which the Board determines the compensation for the issuer's Directors and officers. | The Company has prepared the compensation report "Compensation Discussion and Analysis" included in this Circular. Further discussion of the Company's compensation policy can be viewed on the Company's website. |
| (b) Disclose whether or not the Board has a compensation committee composed entirely of independent Directors. If the Board does not have a compensation committee composed entirely of independent Directors, describe what steps the Board takes to ensure an objective process for determining such compensation. | Directors' and officers' compensation is generally considered by the Compensation Committee of the Board, which comprises of three independent Directors. |
| (c) If the Board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee. | The principal responsibilities of the Compensation Committee are to review the fees and compensation for the Directors, the Chief Executive Officer, the Chief Financial Officer, and the executive officers of the Company, and to prepare the executive and directors compensation report for disclosure to Shareholders in this Circular. |
| 8. Other Board Committees If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function. | (i) The primary role of the Corporate Governance Committee is to develop and implement corporate governance principles and policies established by the Board and to ensure that these principles are regularly reviewed, updated and adhered to. (ii) The function of the Disclosure Committee is to maintain a current awareness of the disclosure requirements applicable to publicly traded companies and as required by the rules of the Toronto Stock Exchange and other securities regulatory authorities having jurisdiction. The Committee and its members are expected to ensure that the disclosures by the Company are in compliance with those requirements. |

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| | <p>(iii) The function of the Technical Committee is to communicate with management on matters of a technical nature and advise the Board as and when technical issues are discussed that require the Board to resolve a course of action.</p> <p>(iv) The function of the Strategic Planning Committee is to understand, analyse, formulate and monitor the strategic direction proposed by management to the Board.</p> |
| <p>9. Assessments Disclose whether or not the Board, its committees and individual Directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the Board satisfies itself that the Board, its committees, and its individual Directors are performing effectively.</p> | <p>Neither the Board, the Committees nor individual Directors are regularly assessed with respect to their effectiveness and contribution. In the annual Board meeting held in conjunction with the annual general meeting there is typically discussion of the performance of the Board and the Committees.</p> |
| <p>10. Director Term Limits and Other Mechanisms of Board Renewal Disclose whether or not the issuer has adopted term limits for the Directors on its Board or other mechanisms of Board renewal and, if so, include a description of those Director term limits or other mechanisms of Board renewal. If the issuer has not adopted Director term limits or other mechanisms of Board renewal, disclose why it has not done so.</p> | <p>See page 23 of the Circular under “Director Tenure”</p> |
| <p>11. Policies Regarding the Representation of Women on the Board (a) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women Directors. If the issuer has not adopted such a policy, disclose why it has not done so. (b) If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy: (i) a short summary of its objectives and key provisions, (ii) the measures taken to ensure that the policy has been effectively implemented, (iii) annual and cumulative progress by the issuer in achieving the objectives of the policy, and (iv) whether and, if so, how the Board or its nominating committee measures the effectiveness of the policy.</p> | <p>See page 24 of the Circular under “Diversity”.</p> |
| <p>12. Consideration of the Representation of Women in the Director Identification and Selection Process Disclose whether and, if so, how the Board or nominating committee considers the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board. If the issuer does not consider the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board, disclose the issuer's reasons for not doing so.</p> | <p>See page 24 of the Circular under “Diversity”.</p> |
| <p>13. Consideration Given to the Representation of Women in Executive Officer Appointments Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.</p> | <p>See page 24 of the Circular under “Diversity”.</p> |
| <p>14. Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions</p> | <p>See page 24 of the Circular under “Diversity”.</p> |

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| <p>(a) For purposes of this Item, a “target” means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women on the issuer's board or in executive officer positions of the issuer by a specific date.</p> <p>(b) Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.</p> <p>(c) Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.</p> <p>(d) If the issuer has adopted a target referred to in either (b) or (c), disclose:</p> <p>(i) the target, and</p> <p>(ii) the annual and cumulative progress of the issuer in achieving the target.</p> | |
| <p>15. Number of Women on the Board and in Executive Officer Positions</p> <p>(a) Disclose the number and proportion (in percentage terms) of Directors on the issuer's board who are women.</p> <p>(b) Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women.</p> | <p>See page 24 of the Circular under “Diversity”.</p> |

APPENDIX “B”

**CALEDONIA MINING CORPORATION PLC
CHARTER OF THE BOARD OF DIRECTORS**
(Adopted July 27, 2017)

APPENDIX “C”

**CALEDONIA MINING CORPORATION PLC
AUDIT COMMITTEE CHARTER**

(Adopted July 27, 2017)