

Caledonia Mining Corporation Plc**Results for the Year ended December 31, 2023****Notice of Management Conference Call****Dividend Declaration****(NYSE AMERICAN: CMCL; AIM: CMCL; VFEX: CMCL)****St Helier: March 28, 2024**

Caledonia Mining Corporation Plc ("Caledonia" or the "Company") - <https://www.commodity-tv.com/ondemand/companies/profil/caledonia-mining-corporation-plc/> - announces its operating and financial results for the year ended December 31, 2023 (the "Year"). Further information on the financial and operating results for the Year and the quarter ended December 31, 2023 (the "Quarter" or "Q4") can be found in the Management Discussion and Analysis ("MD&A"), and the audited financial statements, which are available on the Company's website and which are being filed on SEDAR.

Following the trading update of March 4, 2024, the Company is trading in line with both market expectations and production guidance for 2024. The Company also declares a quarterly dividend of 14 United States cents (US\$0.14) on each of the Company's shares.

2023 Financial Summary (USD)

- Gross revenue of \$146.3 million (2022: \$142.1 million). Revenue for the Year was 3% higher than in 2022 due to a 7.8% increase in the average realised price of gold sold.
- Gross profit of \$41.5 million (2022: \$61.8 million). Gross profit decreased due to higher production costs at Blanket Mine ("Blanket") of \$69.6 million and operating costs at the small scale, temporary Bilboes oxide mine in the Year of \$13.1 million. The Bilboes oxide mine was returned to care and maintenance with effect from October 1 2023.
- Revenue and gross profit exclude the benefit of 3,057 ounces of gold work-in-progress at the end of December which were sold in the first week of January.
- Administrative expenses of \$17.4 million (2022: \$11.9 million). Administrative expenses during the Year were 46% higher than in 2022, predominantly due to increased salaries and wages (which included a one-off settlement payable to the former Chief Operating Officer) and payment for advisory services on conclusion of the Bilboes acquisition in January 2023.

- EBITDA of \$29.7 million (2022: \$50.4 million) was lower than in 2023 primarily due to the Bilboes oxide mining cost of \$13.1 million and several one-off costs including, those listed above, higher than expected labour and power costs of \$5.5 million, and \$2.5 million of foreign exchange losses in the year.
- On-mine cost per ounce¹ was \$1,047 (2022: \$735). Excluding the costs of the small-scale temporary Bilboes oxide mine (which was placed on care and maintenance from October 1, 2023), on-mine costs would have amounted to \$912 per ounce compared to \$735 per ounce in 2022, the increase being due to increased labour and electricity costs.
- All-in sustaining cost per ounce¹ of \$1,445 (2022: \$878) being a 64.6% increase year-on-year, predominantly due to the higher on-mine cost per ounce (above) and an increase in sustaining capital expenditure following the classifying of capital expenditures on projects due to Blanket's investment phase nearing its end.
- Adjusted earnings per share ("EPS")¹ of 17.1 cents (2022: 219.9 cents).
- Net cash from operating activities of \$14.8 million (2022: \$42.6 million).
- Net cash and cash equivalents of \$(11.0) million (2022: \$1.5 million). The decrease is predominantly due to cash consumption from the Bilboes oxide mine operating activities, the higher cost at Blanket and the once-off costs highlighted above.
- The dividend for 2023 was maintained at the same level as in 2022. As set out in a separate news release issued today, Caledonia has declared a quarterly dividend of 14 cents per share, payable on April 26, 2024. This reflects our confidence in Blanket's operations and its cash generation.

Operating Highlights

- Annual gold production at Blanket of 75,416 ounces ("oz") in 2023, in line with guidance.
- Quarterly gold production at Blanket of 20,172 oz in Q4.
- 2024 gold production guidance at Blanket of 74,000 oz to 78,000 oz².
- Gold sales in Q4 excluded 3,057 oz that were held as work-in-progress as at December 31, 2023 and which were sold early in January 2024.
- Further encouraging results from the deep-level drilling programme at Blanket, as announced in January 2024, which is currently evaluating the continuity of the mineralised zones on the Blanket and Eroica ore bodies. Total drilling for 2023 was 13,280

¹ Non-IFRS measures such as "On-mine cost per ounce", "All-in sustaining cost per ounce" and "adjusted EPS" are used throughout this announcement. Refer to section 10 of the MD&A for a discussion of non-IFRS measures.

² Refer to the technical report entitled "NI 43-101 Technical Report on the Blanket Gold Mine, Zimbabwe" with effective date September 1, 2022 prepared by Minxcon (Pty) Ltd filed by the Company on SEDAR (www.sedar.com) on March 13, 2023.

metres and this, together with ongoing drilling, will be reflected in a revised mineral resource statement expected to be released in the second quarter of 2024.

Post Year-end events, Outlook and Strategic Focus

- The operating and financial performance at Blanket has been in line with management expectations in the first quarter of 2024.
- The Company is evaluating the initial results of the ongoing work on revised feasibility studies for Bilboes with a specific focus on reducing the initial capital expenditure profile, thereby enhancing the project economics.
- Dana Roets left the business as Chief Operating Officer on February 29, 2024. A process is well-advanced to appoint a replacement.
- Tariro Gadzikwa has joined the board as an independent non-executive director.
- Caledonia's immediate strategic focus is to:
 - Produce between 74,000 oz to 78,000 oz in 2024 at Blanket and at a similar level in 2025.
 - Complete a revised resource statement thereby extending the life of mine at Blanket.
 - Complete the updated feasibility study on the Bilboes sulphide project to determine the best implementation strategy and estimate the funding requirements, and commence development of the project.
 - Continue with exploration activities at the Motapa exploration project.

Mark Learmonth, Chief Executive Officer, commented:

"The performance of Blanket remains robust; operating cash flows across the second half of the year show a continuation of the improved operating performance compared to the first half of 2023. We continue to see Blanket as the solid foundation for growth as we pursue our strategy to become a multi-asset gold producer.

"I am pleased that the Company also announces today its quarterly dividend of 14 cents which reflects managements confidence in the operations of the business. Future dividend payments will reflect operational performance and an assessment of capital allocation.

"At a consolidated level, group profitability for the Quarter was adversely affected by several

unanticipated one-off costs, and by higher than expected labour and power costs. Management has taken steps to address these and is evaluating measures to reduce electricity consumption and improve labour efficiency. Gold sales in the Quarter exclude 3,057 ounces of gold that were held as work-in-progress as at December 31, 2023 and which were sold early in January 2024.

“We are highly encouraged by the results from the underground exploration programme at Blanket which we restarted during the year; in general, the drilling results, which we announced in July 2023 and January 2024, indicated significantly better widths and grades than previously modelled and we expect to publish a revised resource statement in the second quarter of 2024 which should incorporate an increase in Blanket's life of mine.

“Caledonia’s vision has evolved over the last couple of years from being a relatively small operator of a single asset towards a strategy focussed on becoming a multi-asset, Zimbabwe focussed gold producer with an ambition to produce over 250,000 ounces of gold per annum. The acquisition of Bilboes in January 2023 builds on the earlier acquisitions of Motapa and Maligreen to create a portfolio of high-quality exploration and development assets in Zimbabwe.

“I look forward to announcing the results of the updated feasibility study for the Bilboes sulphide project soon and firmly believe that we have the potential to create and deliver greater shareholder value from the future inclusion of this project in our production profile.”

Commentary

Revenue in the Quarter was 13.1% higher than the last quarter of 2022 (the “comparative quarter”) due to a 0.9% increase in the quantity of gold sold and a 12.2% increase in the average realised price of gold sold. Revenue for the Year was 3.0% higher than in 2022 due to a 7.8% increase in the average realised price of gold sold, offset by 4.4% lower oz sold in the Year compared to 2022. Sales in the Quarter exclude 3,057 oz that were held as work-in-progress at December 31, 2023 and which were sold early in January 2024. Production at Blanket for the Year of 75,416 oz was in line with guidance.

Finance costs paid in the Quarter and the Year increased due to overdraft interest of \$0.7 million in the Quarter and \$1.7 million in the Year (Q4 2022: \$0.1 million; 2022: \$0.2 million) to accommodate working capital fluctuations at Blanket. In addition, finance costs for the Year included interest of \$0.6 million (2022: \$nil) related to the Motapa loan notes that were fully repaid on July 3, 2023.

Gross profit for the Quarter and Year decreased from the comparative quarter and previous year, due to higher production costs, in particular at the Bilboes oxide mine and electricity and labour

costs at Blanket. Increased non-cash, depreciation costs were also incurred as a result of a shortening of the useful life of certain property, plant and equipment items at Blanket in the Year in areas that are planned to be mothballed over the next few years as the mine transitions towards producing entirely from below 750 meters, serviced by the Central Shaft.

Blanket's Q4 production costs increased due to the higher than anticipated use of electricity arising from the continued heavy use of infrastructure at the No. 4 Shaft and Jethro Shaft. These will be used more sparingly going forwards following the commissioning of the Central Shaft. Electricity usage is expected to reduce in 2024 and 2025 as Blanket transitions from the old mine infrastructure and mining activities become centralised in areas accessible by the Central Shaft. Management is reviewing the timing of closing down other shafts and machinery and using infrastructure more efficiently, to reduce future power consumption.

The poor quality of electricity supply from the Zimbabwe grid is the most significant production risk at Blanket. In Q4, Blanket's power supply from the grid was interrupted due to an imbalance between electricity demand and supply. Management is investigating options to alleviate the instability in the utility supply and further reduce the cost of diesel generator usage to supplement low voltage occurrences and power outages. Further work is in process to reduce Blanket's overall electricity consumption by utilising the available shafts and machinery more efficiently.

The management of the labour force has improved since December 2023 and, as a result, the overtime costs reduced significantly in December 2023. These efficiencies are expected to continue.

Administrative expenses in the Quarter were 43.0% higher than the comparative quarter predominantly due to increased salaries and wages (including the settlement amount paid to the Chief Operating Officer on leaving the business). Administrative expenses in the Year include a one-off fee of \$3.1 million paid for advisory services on conclusion of the Bilboes acquisition in January 2023. Excluding both of these costs, which are non-recurring, administration expenses for the Year increased by 5.0% compared to 2022.

Finance costs paid in the Quarter and the Year increased due to overdraft interest of \$0.7 million in the Quarter and \$1.7 million in the Year (Q4 2022: \$0.1 million; 2022: \$0.2 million) to accommodate working capital fluctuations at Blanket. In addition, finance costs for the Year included interest of \$0.6 million (2022: \$nil) related to the Motapa loan notes that were fully repaid by July 3, 2023.

Net profit for the Quarter and Year was affected by increased production costs, higher depreciation and higher administrative expenses compared to the comparative quarter and

previous year. Further, net profit for the Year was negatively affected by foreign exchange losses compared to foreign exchange gains in the previous year.

Due to the oxide mining activities at Bilboes incurring losses, it returned to care and maintenance with effect from October 1, 2023, following which the costs at Bilboes reduced from approximately \$1 million per month to \$200,000 per month, being the costs of security and other care and maintenance costs. Leaching of the oxide ore on the heap leach continued and will continue as long as the gold recovered from the heap contributes to care and maintenance costs. Oxide mining will resume when the stripping of the waste for the sulphide project commences.

The ongoing underground drilling program at Blanket targeted the Eroica, Blanket and AR south ore bodies and has yielded encouraging results which were published on July 10, 2023 and January 30, 2024. Total drilling for 2023 was 13,280 metres and the results indicate that the existing Blanket, Eroica and AR South ore bodies have grades and widths which are generally better than expected. This new information will be reflected in a revised resource statement which is expected to be published in the second quarter of 2024 and, in due course, an updated technical report in respect of Blanket.

Bilboes Feasibility Study

Work on a revised feasibility study for the large-scale sulphide project at Bilboes is well-advanced and the Company is considering the initial results. Further work continues, particularly focused on reducing the initial capital expenditure with a view to enhancing the project economics. This will require the preparation of a new technical report which reflects the work that has already been performed and the further work that is currently in progress. Management has always stressed that it will consider alternative development paths for Bilboes with a view to optimising capital allocation and thereby maximising the uplift in value for Caledonia shareholders.

Conference Call Details

Management will host a conference call at 2pm London time on 3rd April to discuss the 2023 results.

Details for the call are as follows:

When: Apr 3, 2024 02:00 PM London time

Topic: Q4 and FY Results call for Shareholders

Register in advance for this webinar:

[https://caledoniamining.zoom.us/webinar/register/WN kr kHxqgSuKFqoj8fMUL2w](https://caledoniamining.zoom.us/webinar/register/WN_kr_kHxqgSuKFqoj8fMUL2w)

After registering, you will receive a confirmation email containing information about joining the webinar.

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The information contained within this announcement is deemed by the Company to constitute inside information under the Market Abuse Regulation (EU) No. 596/2014.

Cautionary Note Concerning Forward-Looking Information

Information and statements contained in this news release that are not historical facts are "forward-looking information" within the meaning of applicable securities legislation that involve risks and uncertainties relating, but not limited to Caledonia's current expectations, intentions, plans, and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "target", "intend", "estimate", "could", "should", "may" and "will" or the negative of these terms or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Examples of forward-looking information in this news release include: production guidance, estimates of future/targeted production rates, our plans and timing regarding further exploration and drilling and development, future costs, the development of Bilboes, our strategic vision and the publication of an updated mineral resource statement. This forward-looking information is based, in part, on assumptions and factors that may change or prove to be incorrect, thus causing actual results, performance or achievements to be materially different from those expressed or implied by forward-looking information. Such factors and assumptions include, but are not limited to: failure to establish estimated resources and reserves, the grade and recovery of ore which is mined varying from estimates, success of future exploration and drilling programs, reliability of drilling, sampling and assay data, assumptions regarding the representativeness of mineralization being inaccurate, success of planned metallurgical test-work, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects and other factors.

Security holders, potential security holders and other prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Such factors include, but are not limited to: risks relating to estimates of mineral reserves and mineral resources proving to be inaccurate, fluctuations in gold price, risks and hazards associated with the business of mineral exploration, development and mining, risks relating to the credit worthiness or financial condition of suppliers, refiners and other parties with whom the Company does business; inadequate insurance, or inability to obtain insurance, to cover these risks and hazards, employee relations; relationships with and claims by local communities and indigenous populations; political risk; risks related to natural disasters, terrorism, civil unrest, public health concerns (including health epidemics or outbreaks of communicable diseases such as the coronavirus (COVID-19)); availability and increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development, including the risks of obtaining or maintaining necessary licenses and permits, diminishing quantities or grades of mineral reserves as mining occurs; global financial condition, the actual results of current exploration activities, changes to conclusions of economic evaluations, and changes in project parameters to deal with unanticipated economic or other factors, risks of increased capital and operating costs, environmental, safety or regulatory risks, expropriation, the Company's title to properties including ownership thereof, increased competition in the mining industry for properties, equipment, qualified personnel and their costs, risks relating to the uncertainty of timing of events including targeted production rate increase and currency fluctuations. Security holders, potential security holders and other prospective investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. Caledonia undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

This news release is not an offer of the shares of Caledonia for sale in the United States or elsewhere. This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the shares of Caledonia, in any province, state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such province, state or jurisdiction.

Craig James Harvey, MGSSA, MAIG, Caledonia Vice President, Technical Services, has reviewed and approved the scientific and technical information contained in this news release. Craig James Harvey is a "Qualified Person" as defined by each of (i) the Canadian Securities Administrators' National Instrument 43-101 - Standards of Disclosure for Mineral Projects and (ii) sub-part 1300 of Regulation S-K of the U.S. Securities Act.



Consolidated statements of profit or loss and other comprehensive income

(in thousands of United States Dollars, unless indicated otherwise)

| For the years ended December 31 | 2023 | 2022 | 2021 |
|--|----------------|---------------|---------------|
| Revenue | 146,314 | 142,082 | 121,329 |
| Royalty | (7,637) | (7,124) | (6,083) |
| Production costs | (82,709) | (62,998) | (53,126) |
| Depreciation | (14,486) | (10,141) | (8,046) |
| Gross profit | 41,482 | 61,819 | 54,074 |
| Other income | 263 | 60 | 46 |
| Other expenses | (4,367) | (11,782) | (7,136) |
| Administrative expenses | (17,429) | (11,941) | (9,091) |
| Cash-settled share-based expense | (463) | (609) | (477) |
| Equity-settled share-based expense | (640) | (484) | – |
| Net foreign exchange (loss) gain | (2,550) | 4,411 | 1,184 |
| Net derivative financial instrument expense | (1,119) | (1,198) | (240) |
| Operating profit | 15,177 | 40,276 | 38,360 |
| Finance income | 39 | 17 | 14 |
| Finance cost | (3,024) | (657) | (375) |
| Profit before tax | 12,192 | 39,636 | 37,999 |
| Tax expense | (12,810) | (16,770) | (14,857) |
| (Loss) profit for the period | (618) | 22,866 | 23,142 |
| Other comprehensive income | | | |
| <i>Items that are or may be reclassified to profit or loss</i> | | | |
| Exchange differences on translation of foreign operations | (622) | (462) | (531) |
| Total comprehensive income for the period | (1,240) | 22,404 | 22,611 |
| (Loss) profit attributable to: | | | |
| Owners of the Company | (4,198) | 17,903 | 18,405 |
| Non-controlling interests | 3,580 | 4,963 | 4,737 |
| (Loss) profit for the period | (618) | 22,866 | 23,142 |
| Total comprehensive income attributable to: | | | |
| Owners of the Company | (4,820) | 17,441 | 17,874 |
| Non-controlling interests | 3,580 | 4,963 | 4,737 |
| Total comprehensive income for the period | (1,240) | 22,404 | 22,611 |
| (Loss) earnings per share | | | |
| Basic (loss) earnings per share (\$) | (0.24) | 1.36 | 1.49 |
| Diluted (loss) earnings per share (\$) | (0.24) | 1.35 | 1.48 |

Consolidated statements of cash flows

For the years ended December 31,

(in thousands of United States Dollars, unless indicated otherwise)

| | 2023 | 2022 | 2021 |
|---|-----------------|----------|----------|
| Cash inflow from operations | 26,398 | 49,657 | 38,703 |
| Interest received | 39 | 17 | 14 |
| Finance costs paid | (2,462) | (192) | (388) |
| Tax paid | (9,206) | (6,866) | (7,426) |
| Net cash inflow from operating activities | 14,769 | 42,616 | 30,903 |
| Cash flows used in investing activities | | | |
| Acquisition of property, plant and equipment | (28,556) | (41,495) | (32,112) |
| Acquisition of exploration and evaluation assets | (1,837) | (2,596) | (5,717) |
| Proceeds from sale of assets held for sale | – | – | 500 |
| Proceeds from derivative financial instruments | 178 | – | 1,066 |
| Acquisition of Put options | (946) | (478) | – |
| Proceeds from disposal of subsidiary | – | – | 340 |
| Proceeds from call options | – | 416 | 208 |
| Acquisition of call options | – | (176) | – |
| Net cash used in investing activities | (31,161) | (44,329) | (35,715) |
| Cash flows from financing activities | | | |
| Dividends paid | (11,099) | (8,906) | (8,069) |
| Payment of lease liabilities | (184) | (150) | (129) |
| Shares issued – equity raise (net of transaction cost) | 15,569 | – | 7,806 |
| Repayments of term loans | – | – | (361) |
| Loan notes - Motapa payment | (7,250) | – | – |
| Loan notes - solar bond issue receipts (net of transaction cost) | 6,895 | – | – |
| Proceeds from gold loan | – | – | 2,752 |
| Repayment of gold loan | – | (3,698) | – |
| Proceeds from share options exercised | – | – | 165 |
| Net cash from/ (used in) financing activities | 3,931 | (12,754) | 2,164 |
| Net decrease in cash and cash equivalents | (12,461) | (14,467) | (2,648) |
| Effect of exchange rate fluctuations on cash and cash equivalents | (67) | (302) | (179) |
| Net cash and cash equivalents at the beginning of the year | 1,496 | 16,265 | 19,092 |

Net cash and cash equivalents at the end of the year

| | | |
|-----------------|-------|--------|
| (11,032) | 1,496 | 16,265 |
|-----------------|-------|--------|



Consolidated statements of financial position

(in thousands of United States Dollars, unless indicated otherwise)

As at December 31

| | 2023 | 2022 |
|---|----------------|----------|
| Assets | | |
| Exploration and evaluation assets | 94,272 | 17,579 |
| Property, plant and equipment | 179,649 | 178,983 |
| Deferred tax asset | 153 | 202 |
| Total non-current assets | 274,074 | 196,764 |
| Income tax receivable | 1,120 | 40 |
| Inventories | 20,304 | 18,334 |
| Derivative financial assets | 88 | 440 |
| Trade and other receivables | 9,952 | 9,185 |
| Prepayments | 2,538 | 3,693 |
| Cash and cash equivalents | 6,708 | 6,735 |
| Assets held for sale | 13,519 | – |
| Total current assets | 54,229 | 38,427 |
| Total assets | 328,303 | 235,191 |
| Equity and liabilities | | |
| Share capital | 165,068 | 83,471 |
| Reserves | 137,819 | 137,801 |
| Retained loss | (63,172) | (50,222) |
| Equity attributable to shareholders | 239,715 | 171,050 |
| Non-controlling interests | 24,477 | 22,409 |
| Total equity | 264,192 | 193,459 |
| Liabilities | | |
| Deferred tax liabilities | 6,131 | 5,123 |
| Provisions | 10,985 | 2,958 |
| Loan notes - long term portion | 6,447 | – |
| Cash-settled share-based payment - long term portion | 374 | 1,029 |
| Lease liabilities - long term portion | 41 | 181 |
| Total non-current liabilities | 23,978 | 9,291 |
| Cash-settled share-based payment - short term portion | 920 | 1,188 |
| Income tax payable | 10 | 1,324 |
| Lease liabilities - short term portion | 167 | 132 |
| Loan notes - short term portion | 665 | 7,104 |
| Trade and other payables | 20,503 | 17,454 |
| Overdraft and term loans | 17,740 | 5,239 |
| Liabilities associated with assets held for sale | 128 | – |
| Total current liabilities | 40,133 | 32,441 |
| Total liabilities | 64,111 | 41,732 |

Total equity and liabilities

328,303

235,191

