

Caledonia Mining Corporation PLC

03:19 06 Oct 2020

Caledonia Mining labelled "outstanding corporate citizen" as it signs agreement with government of Zimbabwe to review gold projects

Caledonia Mining Corporation PLC (LON:CMCL)(TSE:CAL) has signed an agreement with the Government of the Republic of Zimbabwe under the terms of which Caledonia will evaluate mining rights, properties and projects in the gold sector that are controlled by the government, with a view to assessing the potential to advance development on these properties or projects.

Caledonia believes Zimbabwe is a highly prospective region for gold discoveries. Caledonia has also assessed and continues to assess investment opportunities in the Zimbabwe gold sector that are privately owned.

However, the Government of Zimbabwe has a considerable portfolio of assets in the gold sector that are potentially very attractive and Caledonia and the government have therefore entered into an agreement whereby Caledonia is provided an opportunity to review this portfolio to determine whether they may be commercially developed for mutual benefit.

"I am delighted we have reached this agreement which will give Caledonia access to a new and much increased number of potential investment opportunities in the Zimbabwe gold sector," said Caledonia's chief executive Steve Curtis.

"Over the years of operating in Zimbabwe we have established a professional relationship with the appropriate bodies and have a strong performance, social and ethical record. We look forward to applying the same approach to any future opportunities in the country, developing the assets in the same responsible way we have done at Blanket, with any new developments including a local ownership structure and community engagement."

The Hon. Winston Chitando, Minister for Mines and Mine Development, said:

"Since Caledonia purchased Blanket Mine in 2006, it has increased production at Blanket from less than 20,000 ounces of gold per annum and is now poised to increase production to 80,000 ounces per annum. Blanket Mine has more than doubled its employment from less than 800 in 2006 to a current level of approximately 1,650; Blanket is also a major taxpayer in Zimbabwe and we expect this to increase substantially in the next few years. Caledonia is also an outstanding corporate citizen in Zimbabwe, having facilitated local ownership partnerships of Blanket Mine since 2012."

Price: 1175
Market Cap: £142.4 m

Share Information

Code: CMCL
Listing: AIM
52 week High Low
1900 351

Sector: Gold & silver

Website: www.caledoniamining.com

Company Synopsis:

Caledonia Mining is a profitable cash generative gold producer with a strong growth profile, Caledonia's primary asset is the Blanket Mine in Zimbabwe which produced 54,512 ounces of gold in 2018 at an All in Sustaining Cost of \$802/oz.

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