

Caledonia Mining Corporation PLC

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Caledonia Mining announces deferral of dividend declaration

Caledonia Mining Corporation PLC (LON:CMCL) (TSE:CAL) said its board has resolved to defer approval of a declaration of the group's second quarterly dividend of 2020.

The group has paid a quarterly dividend since 2014 and the payments are an important element of the company's strategy to create and enhance shareholder value.

Caledonia said production at the company's Blanket mine continues, although at a lower rate than targeted. Blanket also has consumables and spare parts in its inventory to sustain uninterrupted gold production well past the end of the current lockdowns in Zimbabwe and South Africa due to the coronavirus (COVID-19) pandemic.

Provided the measures taken by the Zimbabwe and South African governments do not result in severe or prolonged interruptions to operations, the effect of such measures should not impede the company's ability to resume the payment of quarterly dividend, it added.

Caledonia's cash position as on March 26 was \$12.5m. At the current quarterly dividend rate of US\$0.075 per share, the dividend payment that was scheduled for payment in April amounts to approximately US\$860,000, less than 7% of Caledonia's currently available cash.

"The COVID-19 pandemic has elevated global levels of uncertainty," Caledonia's chairman Leigh Wilson said in a statement.

"I have full confidence that our business will emerge from this situation substantially unchanged, but, out of an abundance of caution, we have decided to defer the dividend decision until we have greater clarity on the wider implications of this highly fluid situation.

"Our balance sheet remains in an enviable position and the dividend remains comfortably affordable. Today's announcement is a continuation of the prudent approach to capital allocation that we have followed for several years - a path that we expect to continue."

Price: 1280

Market Cap: £147.47 m

1 Year Share Price Graph



Share Information

Code: CMCL

Listing: AIM

52 week	High	Low
	1389	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.

action@proactiveinvestors.com

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Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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