

COMPENSATION COMMITTEE CHARTER

Caledonia Mining Corporation Plc

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1. Mandate

The Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Caledonia Mining Corporation Plc (“Caledonia” or the “Corporation”) has adopted this charter. The Committee shall review and assess this charter every 2 years or sooner if significant changes occur and propose changes to the Board for approval. The duties the members of this Committee have to fulfil are addressed below.

2. Purpose

The purpose of the Committee is to discharge the Board’s responsibilities relating to:

- 2.1 compensation of the Corporation’s executive officers and the directors of the Corporation;
- 2.2 establishment and administration of policies, programs and procedures for compensating and incentivising its executive officers;
- 2.3 oversight of the compensation structure and benefit plans and programs of the Corporation; and
- 2.4 executive compensation disclosure and compliance with the Executive Compensation Policy (Refer to Annexure 1).

3 Composition

- 3.1 The Committee shall comprise of a majority of the Independent Directors (as such term is defined in section 10 of the charter of the Board).
- 3.2 The members of the Committee must have sufficient expertise and experience to perform their functions. In particular this includes commensurate financial, human resources and remuneration knowledge and experience. At least one member will have experience in evaluating and determining compensation levels of publicly traded companies engaged in the same business as the Corporation.

4 Membership

- 4.1 To be an Independent Director, each Committee member will be independent, subject to any independence exemptions, as set out in the National Instrument 52-110 Audit Committees (“NI 52-110”). NI 52-110 states that an independent director is a director who has no direct or indirect material relationship with the Corporation and a ‘material relationship’ is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director’s independent judgement or a relationship deemed to be a material relationship. The NYSE American LLC Guide also sets out further requirements for independence, particularly in relation to serving on a compensation committee. Director’s independence can be further assessed by reference to section 10 of the charter of the Board.
- 4.2 The Committee will be appointed or replaced by the Board and the Committee shall appoint its own chairperson. The chairperson of the Board may be a member of the Committee but is not eligible for appointment as the Committee chairperson. The

chairperson must be an independent non-executive director who understands the functions of the Committee and is able to lead constructive communication between the Committee members and the Board. The Company Secretary shall act as secretary of the Committee.

- 4.3 Each member will serve on the Committee until the earlier of their removal by the Board or such member no longer being a director of the Corporation.
- 4.4 The compensation of Committee members shall be as determined by the Board.
- 4.5 Members of the Committee may resign by giving written notice to the chairperson with a copy to the secretary of the Committee who will notify the Board of such resignation as soon as reasonably possible.

5 Attendance of Meetings

- 5.1 The Committee shall meet in person or by conference call as frequently as necessary to carry out its responsibilities under this Charter, but not less than twice per year. In addition, the Committee may act by unanimous written consent in lieu of a meeting.
- 5.2 The chairperson shall be responsible for calling the meetings of the Committee (directly, or through the Company Secretary), establishing the meeting agenda (with input from Management and Committee members) and supervising the conduct of the meetings.
- 5.3 In the absence of the chairperson at a meeting of the Committee, the members present shall appoint a chairperson of the meeting from amongst those members of the Committee present at the meeting.
- 5.4 A majority of the members of the Committee will constitute a quorum for conducting business at the Committee meeting. Individuals in attendance at Committee meetings by invitation may participate in discussions but do not form part of the quorum for the Committee meeting.
- 5.5 The Committee may request any officer or other employee of the Corporation, or any representative of the Corporation's legal counsel or other advisors, to attend a meeting or to meet with any members or representatives of the Committee.
- 5.6 All proceedings of the meeting of the Committee must be minuted and all Committee documents, information and minutes of previous meetings of the Committee must be distributed to members of the Committee within a reasonable time prior to the next Committee meeting.
- 5.7 All minutes of meetings of the Committee must be reviewed by the chairperson and considered for approval by the Committee at or before the subsequent meeting.

6 Written Resolution

In the event a resolution is to be passed by way of written consent rather than a meeting of the Committee, a brief summary of the background and purpose of the resolution will be provided to the members in writing. The resolution will be signed by all the directors then in office or by all the members of the Committee. The resolution shall be as valid and effectual as if it had been

passed at a meeting of the Committee duly convened and held and may be contained in one or more document(s) each signed by one or more of the members of the Committee. Any such document(s) may be constituted by letter or in electronic form or otherwise as the Committee may time to time approve.

7 Quorum

The Committee shall meet at the discretion of the chairperson or a majority of the members as circumstances dictate but at least twice a year and a majority of the members shall constitute a quorum. If and whenever a vacancy shall exist, the remaining members may exercise all of its powers and responsibilities so long as the minimum number of members remains in office.

8 Roles and Responsibilities

The Committee must perform all the responsibilities necessary to fulfil its purpose including, without limitation, the following:

8.1 Establishment of executive compensation policies and programs

The Committee will review and approve, or provide recommendations to the Board in respect of, all proposed compensation and benefit programs (including base salaries, bonuses and other performance incentives and long term incentive plans) for, and employment and retention agreements with, any executive officer of the Corporation, as well as severance agreements that provide benefits in excess of those set forth in any severance and termination plans previously approved by the Committee or the Board. As part of its review process, the Committee will review other compensation data of comparable companies.

8.2 Establishment, review and approval of corporate goals & executive compensation

8.2.1 The Committee will review and approve, at least annually, corporate goals and objectives relevant to the compensation of the Chief Executive Officer ("CEO") and the other executive officers of the Corporation.

8.2.2 The Committee will evaluate the performance of the CEO and other executive officers in the light of those corporate goals and objectives and set compensation levels based on those evaluations and any other factors as it deems appropriate.

8.2.3 The performance evaluation will be delivered to the CEO by the Committee chairperson, or the designated person on the Committee.

8.2.4 The CEO may not be present during voting or deliberations of his/her compensation.

8.3 Ratification of incentive compensation plans by the Board

The Committee will submit to the Board for approval any cash incentive compensation and/or equity based incentive plans of the Corporation and all other equity-based plans of the Corporation that require the approval of shareholders or otherwise required by law.

8.4 Review of director compensation

The Committee will review levels and practices of compensation of directors of the Corporation and recommend, from time to time, changes in such compensation levels and practices to the Board.

8.5 Loans to directors

The Committee will monitor compliance with any legal requirements relating to the granting of loans by the Corporation to directors or executive officers of the Corporation.

8.6 Continuous disclosure reporting

The Committee shall prepare any report relating to compensation required by the rules of the stock exchanges or markets on which the securities of the Corporation are listed or traded and under applicable securities laws and report regularly on its activities to the Board.

8.7 Other delegated duties or responsibilities

8.7.1 The Committee will perform any other duties or responsibilities delegated to the Committee by the Board from time to time.

8.7.2 The Committee chairperson or any member of the Committee must be present at annual general meetings of the Corporation and be prepared to answer questions concerning the Committee's activities.

8.7.3 Liaison with the Nomination Committee and the chairperson of the Board on the succession plans for executive officers.

9 Governance/Authority

9.1 The Committee has the authority to engage independent legal, accounting or other advisors or consultants.

9.2 The Corporation will provide for appropriate funding, as determined by the Committee, for payment of compensation to any consultants and to any other advisors employed by the Committee.

9.3 The Committee will have the authority to engage with consultants to assist in the evaluation of director or executive officer compensation and the authority to approve the fees and other retention terms of such compensation consultants.

9.4 The Committee will review and assess the adequacy of this Charter every 2 years or sooner if significant changes occur and recommend any proposed changes to the Board for approval.

10 Reporting

10.1 The Committee must, as a minimum, provide the following information in the integrated annual report:

- a summary of the role of the Committee;
- a statement on whether or not the Committee has adopted formal terms of reference that have been approved by the Board and, if so, whether the Committee is satisfied that it carried out its responsibilities, for the period reported on, in compliance with these terms of reference;
- the names of all members of the Committee during the period reported on and the period for which they served on the Committee;
- the number of meetings of the Committee held during the period reported on and Committee members' attendance at such meetings; and
- information about any other responsibilities assigned to the Committee by the Board.

10.2 The Committee must report to the Board on its activities at the Board meeting following each meeting of the Committee. Such report may include draft or approved minutes of previous meetings of the Committee.

11 Confidentiality

All information in whatever form and howsoever obtained by members of the Committee in the course of serving as members of the Committee ("Confidential Information") must be kept confidential and members of the Committee must not disclose any of the Confidential Information within their knowledge or possession in any manner to any person, company or other entity.

12 Amendments to the Charter

This Charter may be amended as necessary from time to time, with the authority of the Board and subject to its approval.

13 Evaluation

13.1 The Committee will also on an annual basis facilitate the evaluation of the Board, its committees and individual directors.

13.2 Members of the Committee should seek continually to develop and refresh their knowledge of current remuneration practices to ensure that they have the requisite skills and knowledge to carry out their role.

14 Charter Enforcement

Any employee found to have violated the Charter may be subject to disciplinary action, up to and including termination of employment in accordance with the Corporation's disciplinary policy.

15 Document Control

Version 2

Date July 2017

Status In effect from the listing of Caledonia's shares on the NYSE American LLC

Author General Counsel

Version Control

Date	Revision #	Description of Change	Author
July 2017	1	Changes to require all members of Committee to be independent and to state that CEO cannot be present when CEO's compensation discussed to comply with NYSE American LLC Company Guide	General Counsel

16 Charter Approval

This Charter will be updated every 2 years or sooner if any significant changes have occurred and notification of revisions of this Charter will be communicated to users. A copy of this document will be available from all of Caledonia's offices and at www.calendoniamining.com.

This Charter supersedes any previous Compensation Committee charters.

Recommended by the Chairperson of the Committee.

Approved by the Chairperson of the Board.

27 July 2017

Annexure 1



Compensation
Policy Disclosure 201
