CMCL AIMX Caledonia Mining Corporation PLC

Blanket Mine Q3 Production and Revised guidance · RNS 2583Y · 9 October 2026

Caledonia cuts Blanket 2026 output guidance after compressor delays hit Q3 production

Share price	1,765p
Market cap	Not available
52-week range	1,250p - 2,840p
Shares in issue	Not available
12-month change	-34.8%

Ticker Data API, as at 8 Oct 2026, 15:58

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SUMMARY

Caledonia Mining today reported Q3 2026 gold production at Blanket of 17,030 ounces, down from 19,106 ounces a year earlier, and cut full-year guidance to 69,000-72,500 ounces from 72,000-76,500 ounces. Late delivery of four compressors limited mining at the deeper, higher-grade levels, and about 1,100 ounces of free gold were held up in the plant during commissioning of new equipment. Cost guidance rose, with AISC (all-in sustaining cost, the full cost of keeping the mine running per ounce) now US$2,650-US$2,850 per ounce sold. Group capex falls to US$94.3 million, but only because spending moves into 2027. The guidance was reaffirmed as recently as July and August, so the Q4 figures, and above all the grade being mined, will show whether the Q3 problems were a delay or something more lasting.

KEY FIGURES

FIGURE	VALUE	PERIOD	CHANGE
Q3 gold production	17,030 ounces	Q3 2026	Q3 2025: 19,106 ounces
Nine-month gold production	49,158 ounces	9 months to 30 Sep 2026	9 months 2025: 58,846 ounces
Nine-month grade	2.65	9 months to 30 Sep 2026	9 months 2025: 3.16
FY 2026 production guidance	69,000-72,500 ounces	FY 2026	Previously 72,000-76,500 ounces
AISC guidance	US$2,650-US$2,850 per ounce sold	FY 2026	Previously US$2,500-US$2,700
Group capex guidance	US$94.3 million	FY 2026	Previously US$103.3 million (timing only)
Free cash flow	$17.4m	Q2 2026	Prior $37.7m
Net cash and cash equivalents	US$167.8 million	30 June 2026	From US$8.2 million at 30 June 2025
Gold price	4,144 $/oz	8 Oct 2026	-5.7% over one month

Sources: Q3 production and revised guidance RNS, 9 Oct 2026; Results for Q2 and Half Year Ended June 30, 2026, 10 Aug 2026; Commodities data, 2026-10-08

THE ANNOUNCEMENT

- Blanket produced 17,030 ounces in Q3 2026 (Q3 2025: 19,106 ounces) and 49,158 ounces in the nine months to 30 September (2025: 58,846 ounces), although tonnes milled rose slightly. Nine-month grade fell to 2.65 from 3.16 and recovery to 92.3% from 93.7%.
- FY 2026 production guidance is cut to 69,000-72,500 ounces from 72,000-76,500 ounces, which implies Q4 output of approximately 19,800 to 23,300 ounces.
- Delays in delivering four new compressors restricted mining at the 30 and 34 levels (990 and 1,110 metres below surface). Two are now deployed and the other two have left the port, and the company expects normalised production during Q4.
- Commissioning problems with new gravity-circuit equipment left 1,100 ounces of free gold in the plant, to be recovered from mid-October once extra elution capacity (the stage that strips gold from activated carbon) is running. Separately, 58.04 tonnes of accumulated carbon contain approximately 1,166 ounces.
- On-mine cost guidance rises to US$1,700-US$1,900 per ounce sold (from US$1,600-US$1,800) and AISC guidance to US$2,650-US$2,850 (from US$2,500-US$2,700).
- Group capex guidance falls to US$94.3 million from US$103.3 million, reflecting timing only, mainly parts of the 132kV power line moving to 2027. Bilboes growth capex is now US$43.0 million, and the company says internal cash flow can still contribute to funding Bilboes.

BULL CASE

- The causes are specific and physical. Compressors held up at port, half of them now running, explain why the higher-grade 30 and 34 levels were under-mined, and the August resource update lifted Blanket's underground measured and indicated resource 22% to 2.178 million ounces at 3.83 g/t.
- Q4 has built-in help: the 1,100 ounces of retained free gold to be recovered from mid-October, plus carbon containing 1,166 ounces, extra Lima ore from the seven-day shift system and better access to high-grade areas.
- Margins remain wide. Gold was 4,144 $/oz on 8 October against revised AISC of US$2,650-US$2,850 per ounce sold, net cash was US$167.8 million at 30 June, and directors bought shares in May, June and August, the Chairman paying $23.03.

BEAR CASE

- Credibility has taken a knock. Guidance of 72,000-76,500 ounces was reaffirmed on 20 July and 10 August, on-mine cost guidance has now risen twice in two months, and Q4 must reach 19,800-23,300 ounces after quarters of 14,767, 17,360 and 17,030 ounces this year.
- Grade and recovery both fell over nine months despite more ore milled, and the one-off inventory release in Q4 could flatter output without showing a lasting improvement in mined grade.
- Cash is being stretched by growth spending. Q2 free cash flow fell to $17.4m from $37.7m, the capex cut only pushes spending such as the 132kV power line into 2027, and Bilboes takes US$43.0 million this year, funded partly by a $125m convertible issued in January, all from a single producing mine in Zimbabwe.

WHAT TO WATCH

- Q3 results, expected around 9 November 2026: cash balance, operating cash flow, ounces sold against ounces produced and gold held in the circuit.
- Whether the last two compressors and the new elution capacity are running from mid-October as planned.
- Q4 production, due with the next quarterly update: whether output lands within 19,800-23,300 ounces, and what mined grade looks like once the 1,100 ounces of released inventory are set aside.
- How Bilboes is funded into 2027, including use of the US$150m facility or the at-the-market share programme, and whether gold holds near the 4,144 $/oz of 8 October.

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