

SURFACE RETREATMENT

THE NEW FACE OF MINING

DRDGOLD is a mining company with a difference. Although founded as a typical gold mining venture in 1895 at the height of the gold rush – it is the subsequent mergers and acquisitions that have resulted in a very different new millennium business.

DRDGOLD has been producing gold for almost 120 years and we sell our doré gold bars to Rand Refinery Proprietary Limited (Rand Refinery). However, our employees work neither in underground mines nor in open mining pits – and the only underground ounces owned by the company are for sale. Instead, DRDGOLD creates value in a low-risk surface environment, extracting gold from some 1 500 million tonnes (Mt) of tailings that represents the culmination of over a century of extracting activity on the Witwatersrand. Deposited as sand dumps or slimes dams, and colloquially known as mine dumps, the discarded tailings material of bygone days contains minute particles of gold that were inaccessible to recovery processes at the time.

The employees of DRDGOLD's operating company, Ergo Mining Proprietary Limited (Ergo) – and those of its specialist service companies – work on tailings reclamation sites, in the primary metallurgical plant in Brakpan, where some 1.8Mt of slurry is treated each month, and at the pump stations and all-important tailings deposition site in Brakpan where the "new" discarded material is deposited.

Ergo – an efficient, volume-driven operation – operates around-the-clock to mine tonnes of tailings and turn to account previously discarded gold. In FY2013 the company made use of all its various capitals to produce 8% more gold without compromising safety standards. DRDGOLD delivered on its strategy to create value for shareholders with two dividend payments totalling R107 million.

In this report, we aim to provide more detail on how our strategy, governance, performance and future prospects enable us to create value in the short, medium and long term.

Forward-looking statements

Some of the information in this report may contain projections or other forward-looking statements regarding future events or other financial performance, including forward-looking statements and information relating to our company, that are based on the beliefs of our management, as well as assumptions made by and information currently available to our management. When used in this report, the words "estimate", "project", "believe", "anticipate", "intend", "expect" and similar expressions are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, adverse changes or uncertainties in general economic conditions in the markets we serve, a drop in the gold price, a prolonged strengthening of the rand against the dollar, regulatory developments adverse to DRDGOLD or difficulties in maintaining necessary licences or other governmental approvals, changes in DRDGOLD's competitive position, changes in business strategy, any major disruption in production at key facilities or adverse changes in foreign exchange rates and various other factors.

These risks include, without limitation, those described in the section entitled "Risk Factors" included in our annual report for the fiscal year ended 30 June 2012, which we filed with the United States Securities and Exchange Commission on 26 October 2012 on Form 20-F. You should not place undue reliance on these forward-looking statements, which speak only as of the date thereof. We do not undertake any obligation to publicly update or revise these forward-looking statements to reflect events or circumstances after the date of this report or the occurrence of unanticipated events. Any forward-looking statement included in this report has not been reviewed or reported on by DRDGOLD's auditors.

JSE: DRD
ZAR 556c

NYSE: DRD
USD 5.70

GOLD

USD/oz 1 318.90
ZAR/kg 414 142.83

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