

**DRDGOLD LIMITED**  
(Incorporated in the Republic of South Africa)  
(Registration number 1895/000926/06)  
ISIN: ZAE000058723  
JSE share code: DRD  
NYSE trading symbol: DRD  
("DRDGOLD" or the "Company")

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**OPERATING UPDATE FOR THE QUARTER ENDED 31 MARCH 2020**

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The operating update of the Company for the quarter ended 31 March 2020 is as follows:

|                                   |                | <b>Quarter ended<br/>31 MAR 2020</b> | <b>Quarter ended<br/>31 DEC 2019</b> | <b>% change</b> |
|-----------------------------------|----------------|--------------------------------------|--------------------------------------|-----------------|
| <b><u>Production</u></b>          |                |                                      |                                      |                 |
| Gold produced                     | kg             | 1,346                                | 1,544                                | -13%            |
|                                   | oz             | 43,274                               | 49,641                               | -13%            |
| Gold sold                         | kg             | 1,462                                | 1,514                                | -3%             |
|                                   | oz             | 47,004                               | 48,677                               | -3%             |
| Ore milled                        | Metric (000't) | 6,560                                | 6,828                                | -4%             |
| Yield                             | Metric (g/t)   | 0.205                                | 0.226                                | -9%             |
| <b><u>Price and costs</u></b>     |                |                                      |                                      |                 |
| Average gold price received       | R per kg       | 785,581                              | 697,879                              | 13%             |
|                                   | US\$ per oz    | 1,590                                | 1,477                                | 8%              |
| Adjusted EBITDA *                 | Rm             | 389.3                                | 329.8                                | 18%             |
|                                   | US\$m          | 25.4                                 | 22.5                                 | 13%             |
| Cash operating costs              | R/t            | 101                                  | 100                                  | 1%              |
|                                   | US\$/t         | 7                                    | 7                                    | -               |
| Cash operating costs              | R per kg       | 489,193                              | 460,634                              | 6%              |
|                                   | US\$ per oz    | 990                                  | 975                                  | 2%              |
| All-in sustaining costs **        | R per kg       | 577,633                              | 508,124                              | 14%             |
|                                   | US\$ per oz    | 1,169                                | 1,075                                | 9%              |
| All-in cost **                    | R per kg       | 588,235                              | 511,889                              | 15%             |
|                                   | US\$ per oz    | 1,229                                | 1,118                                | 10%             |
| <b><u>Capital expenditure</u></b> |                |                                      |                                      |                 |
| Sustaining                        | Rm             | 47.1                                 | 27.2                                 | 73%             |
|                                   | US\$m          | 3.1                                  | 1.9                                  | 63%             |
| Non-sustaining/growth             | Rm             | 2.8                                  | -                                    | -               |
|                                   | US\$m          | 0.2                                  | -                                    | -               |
| Average R/US\$ exchange rate      |                | 15.37                                | 14.70                                | 5%              |

*Rounding of figures may result in computational discrepancies*

\* Adjusted earnings before interest, taxes, depreciation and amortisation ("**Adjusted EBITDA**") may not be comparable to similarly titled measures of other companies. Adjusted EBITDA is not a measure of performance under International Financial Reporting Standards (IFRS) and should be considered in addition to, and not as a substitute for, other measures of financial performance and liquidity.

\*\* All-in cost definitions based on the guidance note on non-GAAP Metrics issued by the World Gold Council on 27 June 2013.

Gold production reflected a 13% decrease quarter on quarter due primarily to a 9% decrease in yield and a 4% decrease in tonnage throughput compared to the previous quarter respectively, as the operations at Ergo Mining Proprietary Limited (Ergo) and Far West Gold Recoveries (FWGR) were temporarily halted towards the end of March 2020 as a result of the national lockdown declared by the South African government in response to the COVID-19 pandemic (“**Lockdown**”).

Gold sold reflected a mere 3% decrease quarter on quarter despite the 13% decrease in gold produced as gold inventory was sold down in anticipation of the Lockdown. As a result, the cash operating cost per kilogram of gold sold increased by 6% compared to the previous quarter while the cash operating cost per ton of material processed remained stable.

Adjusted EBITDA increased by 18% to R389.3 million for the current quarter compared to R329.8 million for the previous quarter despite the 3% decrease in gold sold, which was mainly due to the gold price received which increased by 13%.

All-in sustaining costs per kilogram and all-in costs per kilogram for the quarter were R577,633/kg and R588,235/kg, respectively, and increased quarter on quarter mainly due to an increase in capital expenditure.

Cash and cash equivalents increased by R1,291.0 million from R543.4 million for the quarter ended 31 December 2019 to R1,834.4 million for the quarter ended 31 March 2020, mainly due to free cashflow (cash flows from operating activities less cash flows from investing activities) of R422.8 million, the subscription for shares by Sibanye-Stillwater Limited at an aggregate price of R1,085.6 million and payment of an interim cash dividend of R213.6 million. External borrowings remained at Rnil as at 31 March 2020 (31 December 2019: Rnil).

The Company’s previous gold production guidance for the year to 30 June 2020 was between 175,000 and 190,000 ounces. On 10 January 2020, DRDGOLD informed the market that it was tracking the higher end of this production guidance. As a result of the Lockdown and related interruptions in our business, and in anticipation of continuing uncertainty surrounding the COVID-19 pandemic, DRDGOLD now expects to track the lower end of the gold production guidance of 175,000 ounces. DRDGOLD is, however, benefiting from the increase in the gold price which is currently more than R1,000,000/kg.

The information contained in this announcement does not constitute an earnings forecast. The financial information provided is the responsibility of the directors of DRDGOLD, and such information has not been reviewed or reported on by the Company’s auditors.

Johannesburg  
7 May 2020

Sponsor  
One Capital