

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" or the "Group")

TRADING STATEMENT AND TRADING UPDATE FOR THE YEAR ENDED 30 JUNE 2021

In terms of paragraph 3.4(b) of the JSE Limited Listings Requirements, companies are required to publish a trading statement as soon as they are satisfied, with a reasonable degree of certainty, that the financial results for the current reporting period will differ by at least 20% from the financial results of the previous corresponding period.

DRDGOLD is in the process of finalising its results for the year ended 30 June 2021 ("**Current Reporting Period**") and shareholders are accordingly advised that the Company has reasonable certainty that it will report earnings per share ("**EPS**") and headline earnings per share ("**HEPS**") of between 160.1 cents and 176.5 cents compared to EPS and HEPS of 82.5 cents and 82.4 cents for the year ended 30 June 2020 ("**Previous Corresponding Period**"), respectively, being an increase of between 94% and 114%.

The expected increases in EPS and HEPS for the Current Reporting Period compared to the Previous Corresponding Period are due mainly to movements in, *inter alia*, the following items:

1. Revenue

Revenue increased by R1,084.0 million, or 26%, to R5,269.0 million (2020: R4,185.0 million).

Ergo Mining Proprietary Limited's ("**Ergo**") revenue increased by R878.7 million, or 29%, to R3,943.0 million (2020: R3,064.3 million), due mainly to a 20% increase in the Rand gold price received as well as a 7% increase in gold sold. Volume throughput increased by 13% to mitigate a 6% decrease in yield due mainly to the previously reported depletion of high-grade reserves available to the Knights plant.

Far West Gold Recoveries' ("**FWGR**") revenue increased by R205.3 million, or 18%, to R1,326.0 million (2020: R1,120.7 million) due mainly to a 18% increase in the Rand gold price received as well as a 1% increase in gold sold. Volume throughput increased by 2% as yield remained stable at 0.237g/t.

2. Cash operating costs

The impact of the increase in revenue on earnings and headline earnings was moderated by an increase in cash operating costs of R446.7 million, or 17%, to R3,072.7 million (2020: R2,626.0 million).

At Ergo, cash operating costs increased by R392.5 million, or 17%, to R2,666.5 million (2020: R2,274.0 million) due to the 13% increase in volume throughput, an increase in the use of reagents and a 15% increase in the cost of power in April 2021.

At FWGR, cash operating costs increased by R54.2 million, or 15%, to R406.2 million (2020: R352.0 million) mostly as a result of increased costs associated with milling, which was not operational for the whole of the previous corresponding period.

3. Weighted average number of ordinary shares

EPS and HEPS increased notwithstanding the full-year impact on the Current Reporting Period of the issuance of 168,158,944 shares to Sibanye Stillwater Limited at an aggregate subscription price of

R1,085,590,116 on 22 January 2020. The weighted average number of ordinary shares for the Current Reporting Period increased by 11% to 855,113,791 from 769,941,874 in the Previous Corresponding Period.

4. Liquidity

As at 30 June 2021, DRDGOLD's cash and cash equivalents was R2,180.0 million (30 June 2020: R1,715.1 million), with a revolving credit facility with ABSA Bank Limited of R200 million, available if needed. During the year ended 30 June 2021, DRDGOLD generated free cash flow (cash inflow from operating activities less cash outflow from investing activities) of R1.1 billion and paid cash dividends of R640.9 million. The Group remains free of any bank debt as at 30 June 2021 (30 June 2020: Rnil).

The financial information contained in this announcement is the responsibility of the directors of DRDGOLD, and such information has not been reviewed or reported on by the Company's auditors.

The condensed consolidated reviewed provisional results for the year ended 30 June 2021 are expected to be published on or about 25 August 2021.

Johannesburg
18 August 2021

Sponsor
One Capital