

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")

OPERATING UPDATE FOR THE QUARTER ENDED 30 SEPTEMBER 2021

The operating update of the Company for the quarter ended 30 September 2021 is as follows:

		Quarter ended 30 SEP 2021	Quarter ended 30 JUN 2021	% Change
<u>Production</u>				
Gold produced	kg	1,449	1,357	7%
	oz	46,587	43,629	7%
Gold sold	kg	1,428	1,365	5%
	oz	45,912	43,886	5%
Ore milled	Metric (000't)	7,421	7,506	-1%
Yield	Metric (g/t)	0.195	0.181	8%
<u>Price and costs</u>				
Average gold price received	R per kg	839,983	821,647	2%
	US\$ per oz	1,786	1,810	-1%
Adjusted EBITDA *	Rm	350.8	303.1	16%
	US\$m	24.0	21.5	12%
Cash operating costs	R/t	114	108	6%
	US\$/t	8	8	-
Cash operating costs	R per kg	566,317	595,824	-5%
	US\$ per oz	1,204	1,312	-8%
All-in sustaining costs **	R per kg	648,880	669,744	-3%
	US\$ per oz	1,380	1,475	-6%
All-in costs **	R per kg	667,157	681,905	-2%
	US\$ per oz	1,419	1,550	-8%
<u>Capital expenditure</u>				
Sustaining	Rm	74.8	106.7	-30%
	US\$m	5.1	7.6	-33%
Non-sustaining/growth	Rm	13.9	9.1	53%
	US\$m	1	0.6	67%
Average R/US\$ exchange rate		14.63	14.12	4%

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 increased by 7% from the previous quarter to 1,449kg primarily due to an 8% increase in yield. Gold sold increased by 5% to 1,428kg.

Although increases in electricity and labour costs with effect from July 2021 resulted in higher cash operating costs, the increase in the number of gold units produced and sold resulted in a 5% decrease in cash operating costs per kilogram of gold sold to R566,317/kg. The cash operating cost per ton of material processed increased by 6% to R114/t.

All-in sustaining costs per kilogram and all-in costs per kilogram were R648,880/kg and R667,157/kg, respectively, decreasing quarter on quarter mainly due to a decrease in sustaining capital expenditure.

Adjusted EBITDA increased by 16% from the previous quarter to R350.8 million primarily due to a 5% increase in gold sold and a 2% increase in the average Rand gold price received.

Payment of the final dividend declared for the year ended 30 June 2021 of R345.2 million and negative working capital changes of R173.5 million at 30 September 2021 reduced cash and cash equivalents by R276.8 million to R1,903.2 million at 30 September 2021 (30 June 2021: 2,180 million). External borrowings remained at Rnil as at 30 September 2021 (30 June 2021: Rnil).

The cash generated during the current quarter will, *inter alia*, be applied towards the Company's extended capital expenditure programme for the financial year ending 30 June 2022. Despite the capital expenditure planned for the financial year, the Company remains in a favourable position to, in the absence of unforeseen events, consider declaring an interim cash dividend in or around February 2022.

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

25 October 2021

Sponsor
One Capital