

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")

**VOLUNTARY TRADING STATEMENT AND TRADING UPDATE FOR THE SIX MONTHS ENDED
31 DECEMBER 2022**

DRDGOLD is in the process of finalising its results for the six months ended 31 December 2022 ("Current Reporting Period") and shareholders are accordingly advised that the Company has reasonable certainty that for the Current Reporting Period it will report earnings per share ("EPS") and headline earnings per share ("HEPS") of between 59.5 cents and 68.1 cents per share compared to EPS and HEPS of 58.0 cents per share for the six months ended 31 December 2021 ("Previous Corresponding Period"), being an increase of between 2.6% and 17.4%.

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

1. Revenue

Revenue increased by R155.8 million, or 6%, to R2,654.3 million (2021: R2,498.5 million).

Ergo Mining Proprietary Limited's ("Ergo") revenue increased by R153.8 million to R1,958.5 million (2021: R1,804.7 million), mainly due to an 11% increase in the Rand gold price received as well as a 10% increase in yield to 0.203g/t from 0.184g/t to make up for the 2% decrease in gold sold to 2,040Kg (2021: 2,090Kg). Volume throughput decreased by 14% mainly as a result of unprecedented load shedding, unscheduled electricity trip-outs at the Ergo plant related to the Eskom grid, and excessive rain. Volume throughput was also impacted by late phase clean-up at Ergo sites where, as the last material is lifted from the floor of the reclamation site, volumes are typically lower and head grades slightly higher.

Far West Gold Recoveries' ("FWGR") revenue remained stable at R695.8 million (2021: R693.8 million). The 11% increase in the Rand gold price received was offset by a 10% decrease in gold sold to 722Kg (2021: 801Kg). Volume throughput decreased by 3% mainly due to severe weather causing damage to the reclamation drawdown point at Driefontein 5, resulting in 4 days of lost tonnages. Yield decreased by 0.012g/t, or 5%, to 0.245g/t from 0.257g/t in part attributable to the processing of a lower-grade part of the Driefontein No 5 dump and the suspension of milling to curtail load during periods of load shedding.

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 R159.3 million, or 10%, to R1,839.5 million (2021: R1,680.2 million).

At Ergo, cash operating costs increased by R122.4 million, or 8%, to R1,594.2 million (2021: R1,471.8 million), and, at FWGR, cash operating costs increased by R36.9 million, or 18%, to R245.3 million (2021: R208.4 million). At both Ergo and FWGR, these increases were consistent with anticipated double digit inflationary increases in the cost of reagents, steel-related products, electricity and transportation.

3. Liquidity

As at 31 December 2022, DRDGOLD held R2,392.2 million in cash and cash equivalents compared to R2,525.6 million on 30 June 2022. During the Current Reporting Period, DRDGOLD generated free cash flow (cash inflow from operating activities less cash outflow from investing activities) of R215.4 million (2021: 406.9 million) after a R223 million increase to R421.5 million in investing activities and paying cash dividends of R342.5 million (2021: R345.5 million). The Group remains free of any bank debt as at 31 December 2022 (30 June 2021: 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 interim results for the six months ended 31 December 2022 are expected to be published on SENS on or about 15 February 2023.

Johannesburg

3 February 2023

Sponsor
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