

Niël Pretorius, CEO  
11-13 September 2016



Rodman & Renshaw  
18th Annual Global  
Investment Conference  
**2016 New York**



# DISCLAIMER

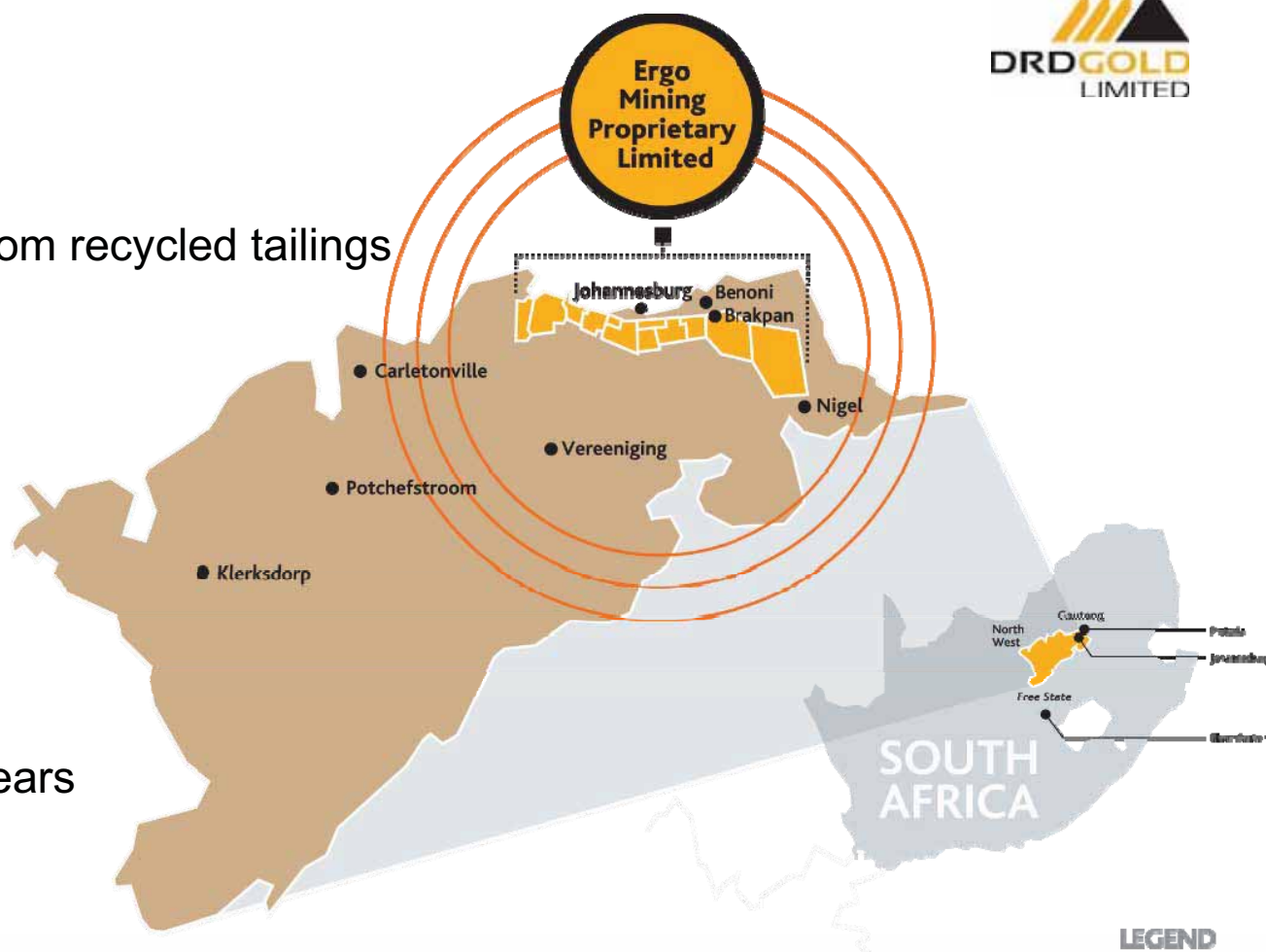


Many factors could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, adverse changes or uncertainties in general economic conditions in the markets we serve, a drop in the gold price, a sustained strengthening of the rand against the dollar, regulatory developments adverse to DRDGOLD or difficulties in maintaining necessary licenses 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 integrated report for the fiscal year ended 30 June 2015, which we filed with the United States Securities and Exchange Commission on 30 October 2015 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 to the occurrence of unanticipated events. Any forward-looking statements included in this presentation have not been reviewed and reported on by DRDGOLD's auditors.

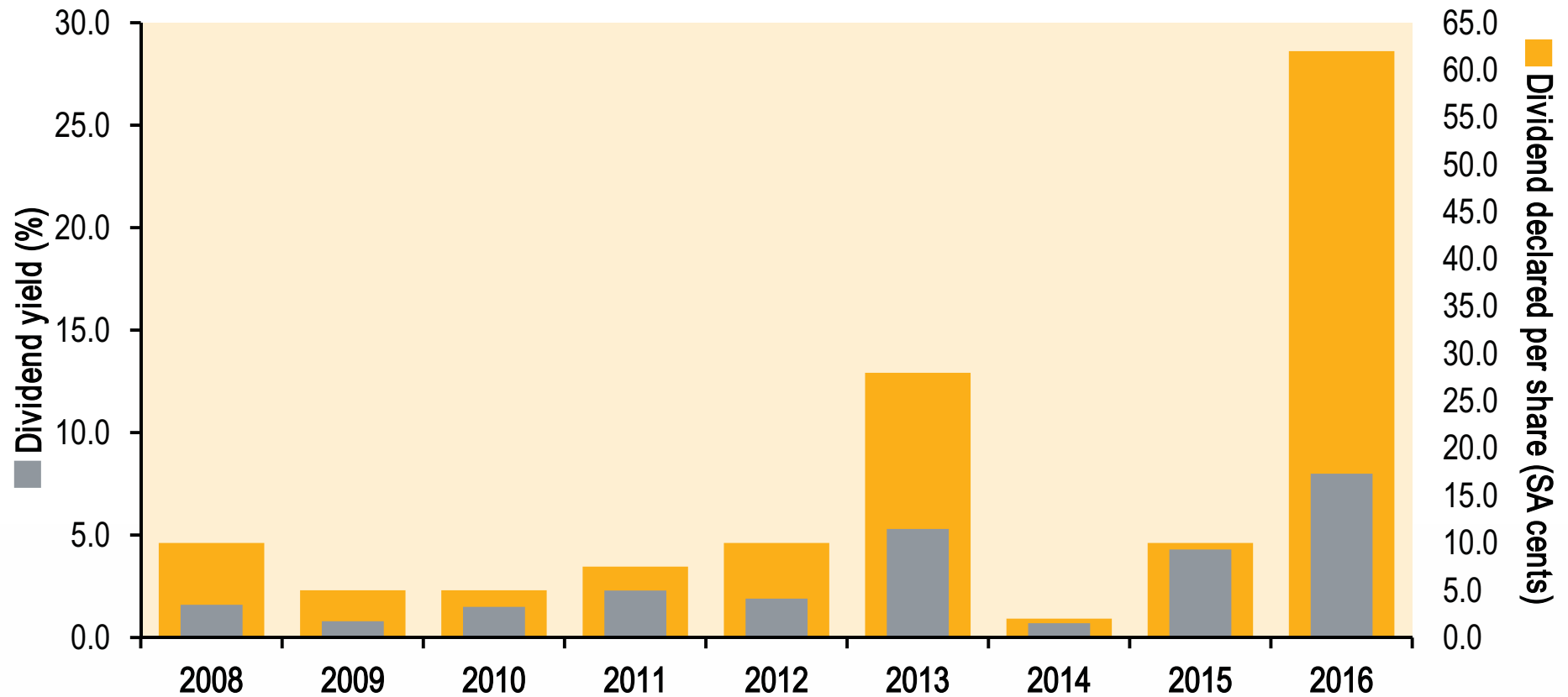
# OVERVIEW



- South Africa producer of gold from recycled tailings
- 11.8Moz resource
- Mechanised surface mining
- Uninterrupted production cycle
- Ownership fully compliant with black economic empowerment (BEE legislation)
- JSE listing: continuous, 100+ years



# DIVIDEND/DIVIDEND YIELD



# SHARE INFORMATION



- Listed on JSE and NYSE Euronext
  - market cap: R3.68bn (30 June 2016)
  - R1bn (30 June 2015)
- Coverage: JP Morgan, Merrill Lynch, Nedbank



Source: Google Finance - Yahoo Finance - MSN Money

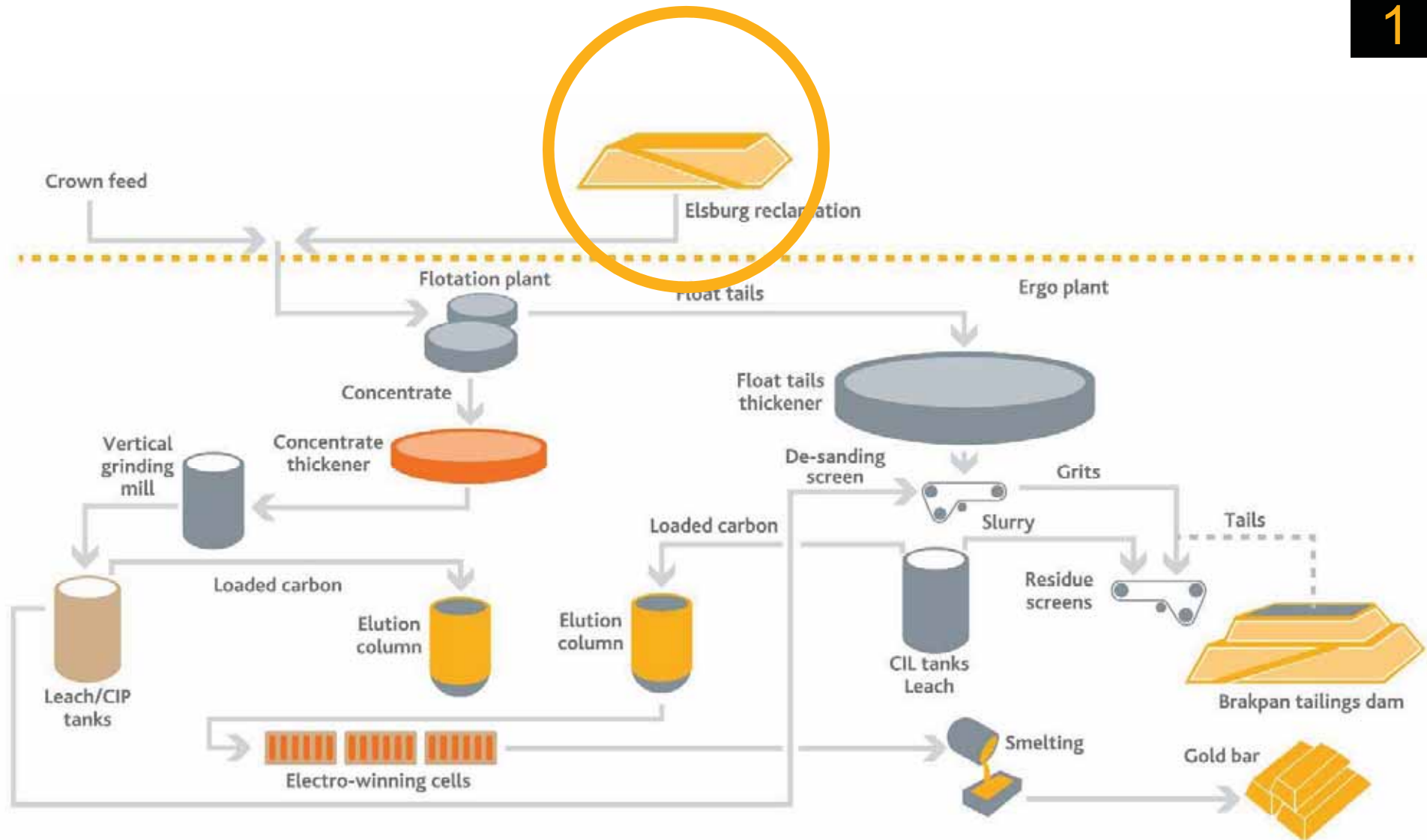
Major shareholders	Stock exchange	No. of shares held	% of total issued shares
Khumo Gold SPV Proprietary Ltd	JSE	35 000 000	8.11
Van Eck Associates Corp.	NYSE	26 998 090	6.27
Skagen AS	NYSE	20 893 780	4.84
BNYMellon as custodian	NYSE	18 191 596	4.22
Investec	JSE	15 638 626	3.62
Citi Client Nominees	JSE	13 745 058	3.19
Renaissance Technologies LLC	NYSE	12 042 700	2.79
Clearstream Banking SA Luxembourg	JSE	11 080 123	2.57
DRDSA Empowerment Trust	JSE	10 500 000	2.43
Ergo Mining Operations (Pty) Limited	JSE	9 361 071	2.17
KBC Securities	JSE	7 586 424	1.76
Peregrine Equities Proprietary Ltd	JSE	6 140 668	1.42
Acadian Asset Management LLC	NYSE	6 127 330	1.42
ABAX Investments	JSE	4 953 034	1.15
JP Morgan Chase	JSE	4 836 810	1.12
State Street Bank and Trust	JSE	4 526 986	1.05

Shareholding as at 30 June 2016

# ADR PRICE PERFORMANCE



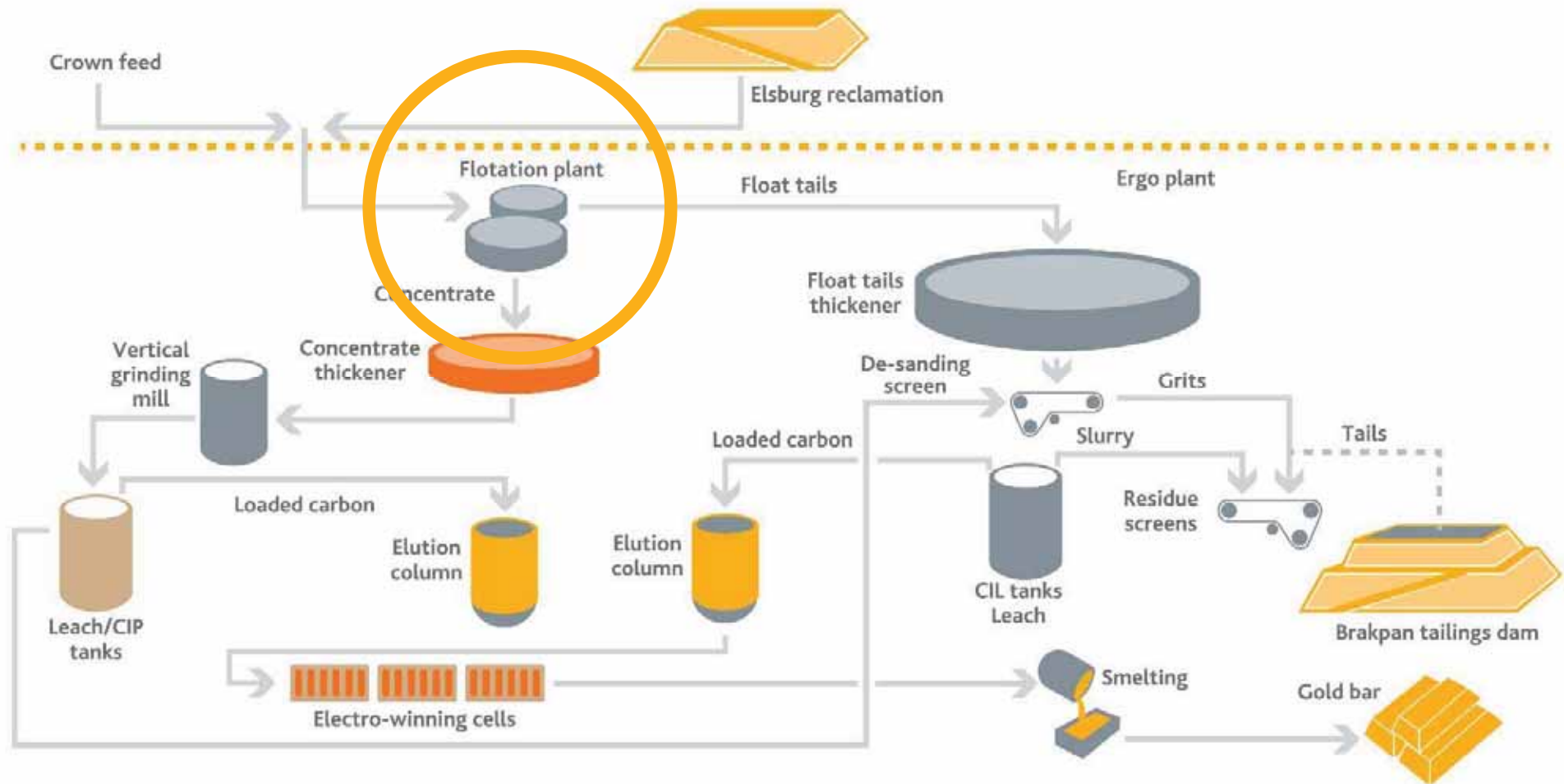
# OUR PROCESS TECHNOLOGY/METHODOLOGY





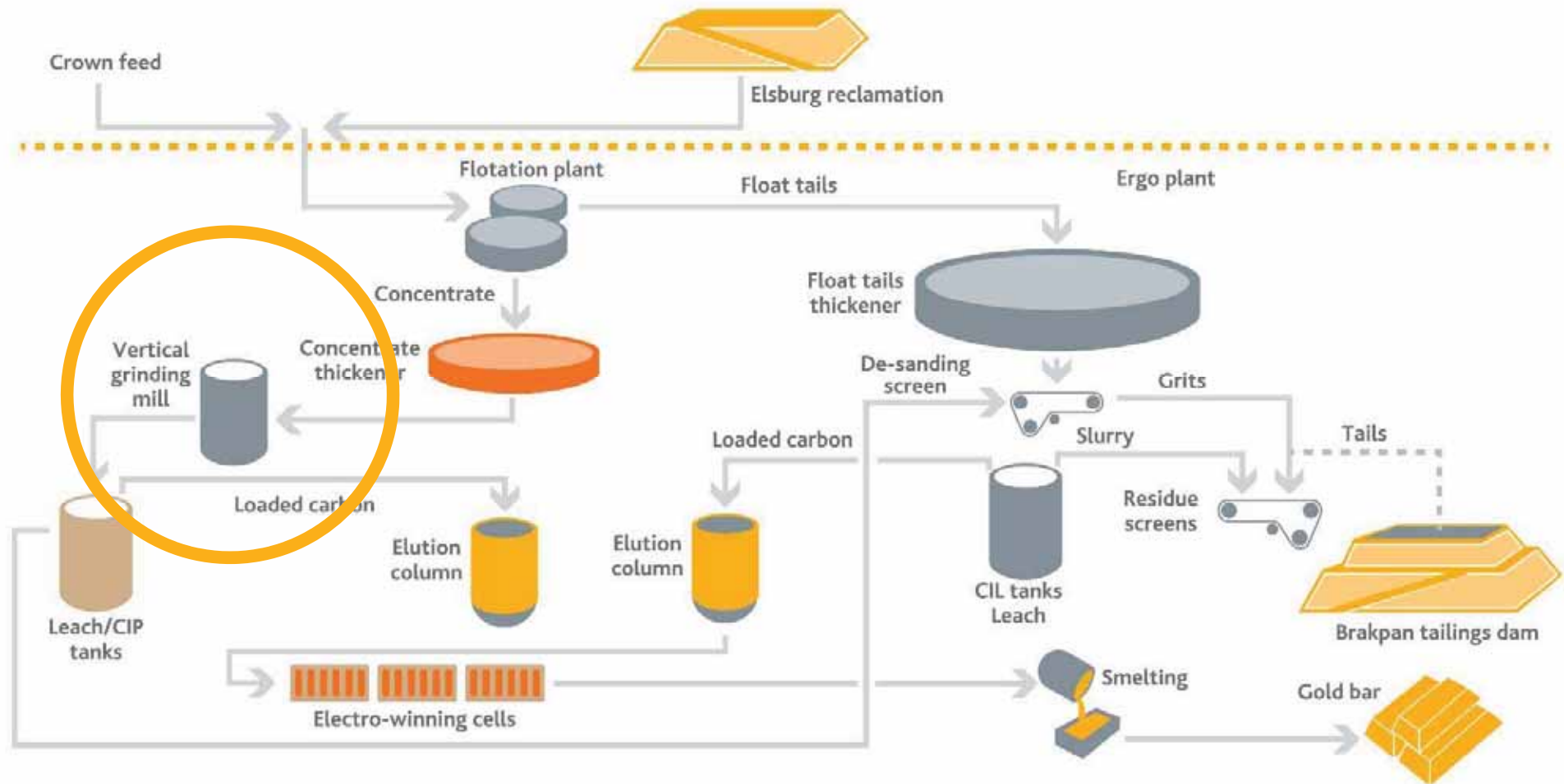


# OUR PROCESS TECHNOLOGY/METHODOLOGY



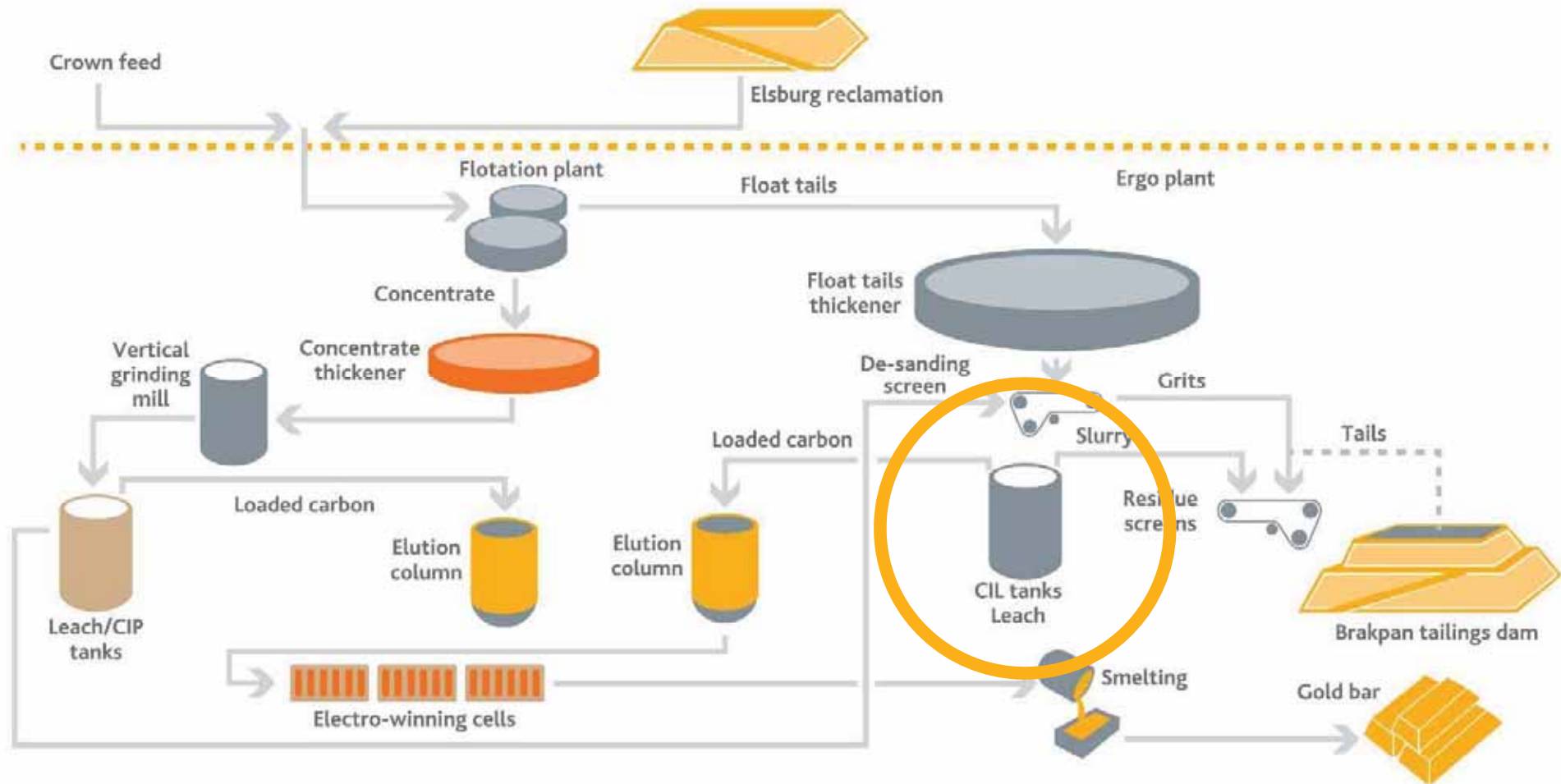


# OUR PROCESS TECHNOLOGY/METHODOLOGY





# OUR PROCESS TECHNOLOGY/METHODOLOGY





# OUR PROCESS TECHNOLOGY/METHODOLOGY

## Targeting:

- volume throughput of 2 million tonnes per month
- production of 145-150koz pa



## **Our aim is to optimally exploit OUR RESOURCE through sustainable mining**

The ideals of sustainable development inform our deployment of resources and capital, and we seek to create value, through integrated thinking, by overlapping our five key capital stocks.





# ATTAINING 'OVERLAP' OF THE FIVE CAPITALS FOR TOTAL VALUE-ADD

## Manufactured capital/technology

- mechanised, automated mining, extraction
- energy- and water-efficient technologies
- develop improved economies of scale
- optimal metallurgical efficiency to 'mine it all'



## Financial capital

- pursue sustainable economic value-add
  - cash flow
  - all-in sustaining costs margin
  - conservative capital management



## Human capital

- knowledge-based labour force



## Natural capital

- manage (dust, water), restore (rehabilitation)



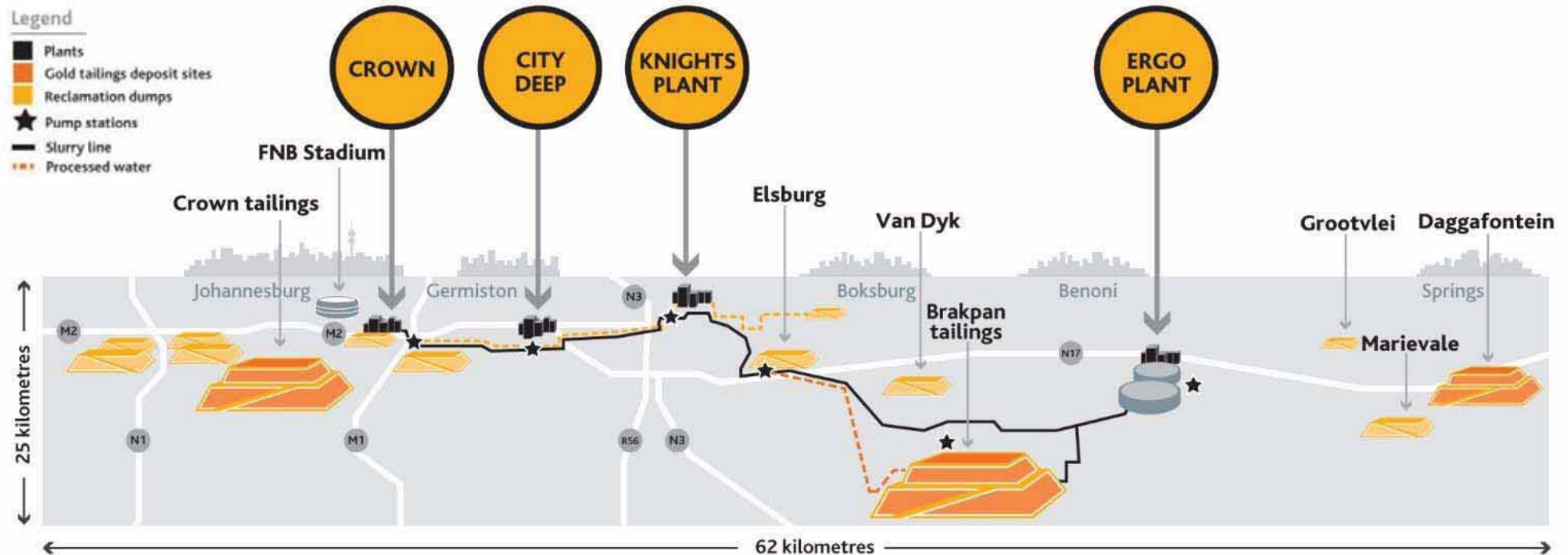
## Social capital

- youth education
- personal development through Best Life



# RESOURCE OPTIONALITY

4Mt	@	0.24g/t
400Mt		0.28g/t
200Mt		0.295-3g/t



# RESOURCE OPTIONALITY, cont'd

- Additional tailings deposition capacity
  - approval for Withok site
  - adjacent to current Brakpan site
  - opens door to additional resource acquisition

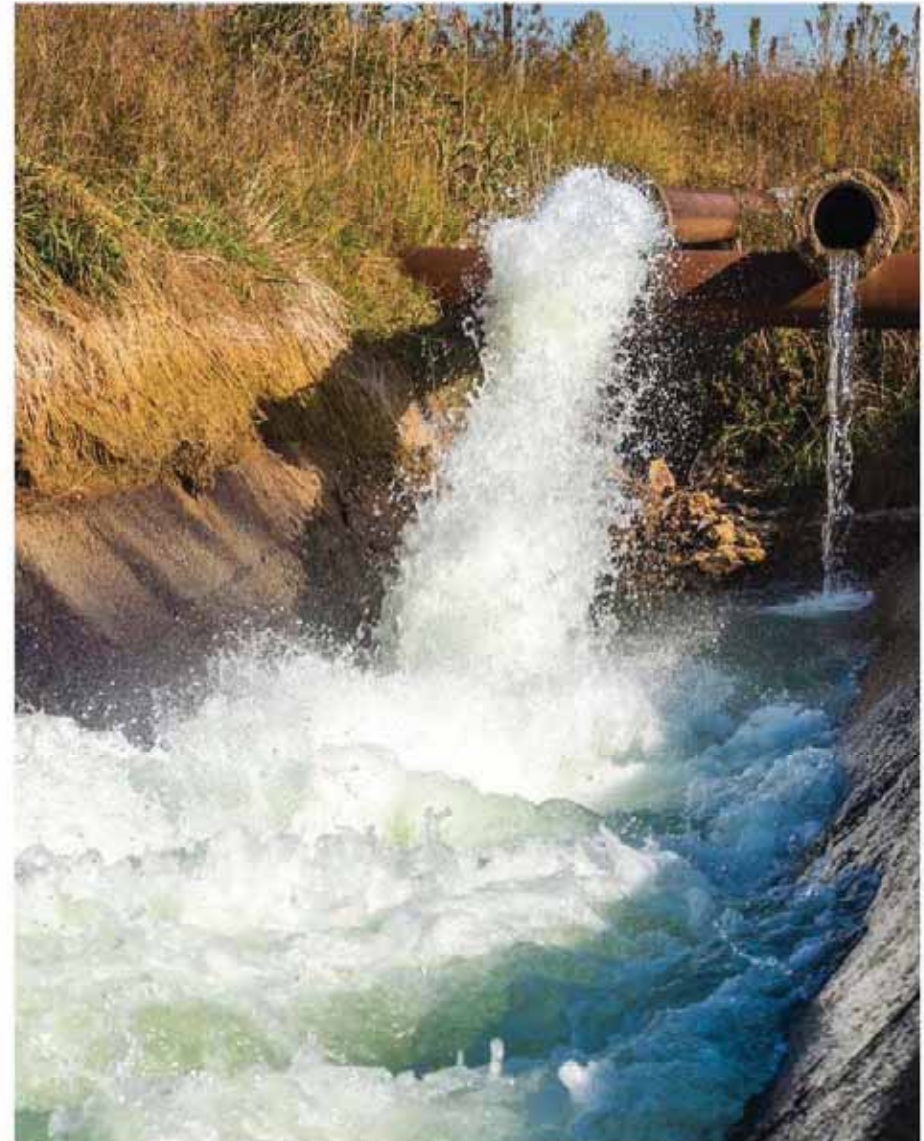
**+ 450Mt = 800Mt**

potentially extends **LoM** to **25+ years**



# RISKS

- Macro risks associated with being a price-taker, product and supplier
- Labour volatility
- Eskom grid developing 'sore joints'
- Metallurgical efficiency falls to 'second' place behind volume throughput:
  - maintenance
  - weather
  - labour
  - power
  - water
  - regulatory interference



# FY2016 PERFORMANCE



# KEY FEATURES



## Year-end dividend **12 SA cents** declared

- total distribution for FY2016: **62 SA cents**
- dividend yield of **7.3%**

REVENUE **up 16%**

OPERATING PROFIT **up 13%**

Headline earnings **39%**

Average Rand gold price **21%**

Throughput **5%**

Free cash flow **25%**

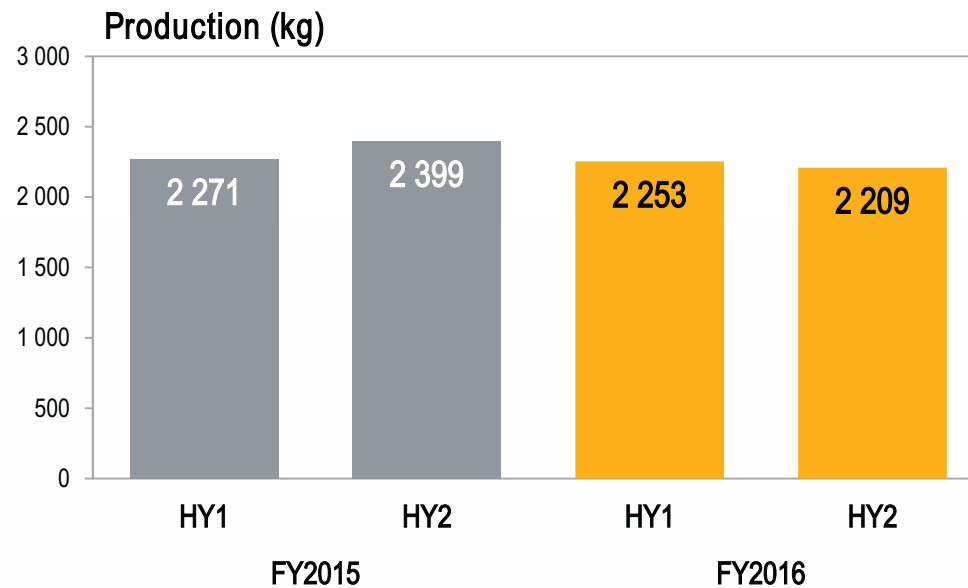
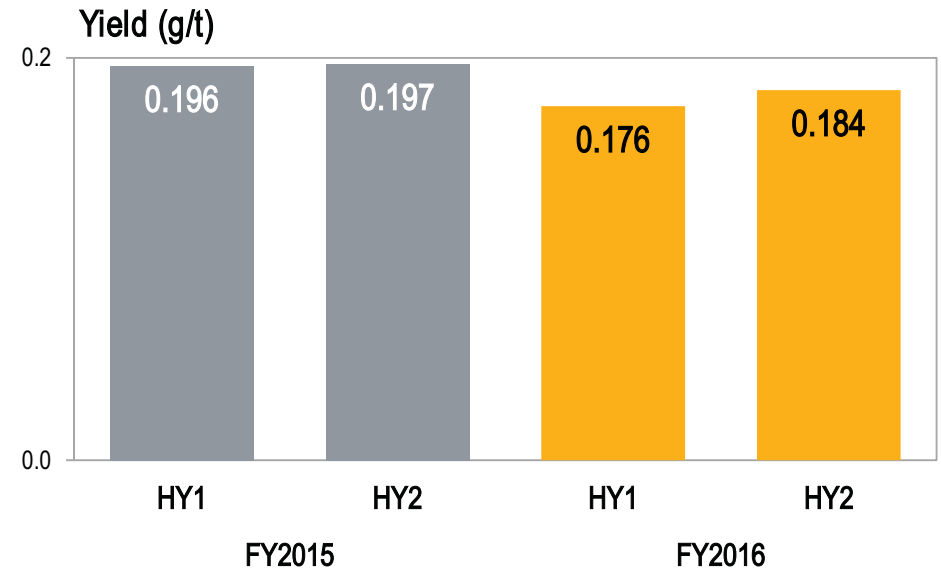
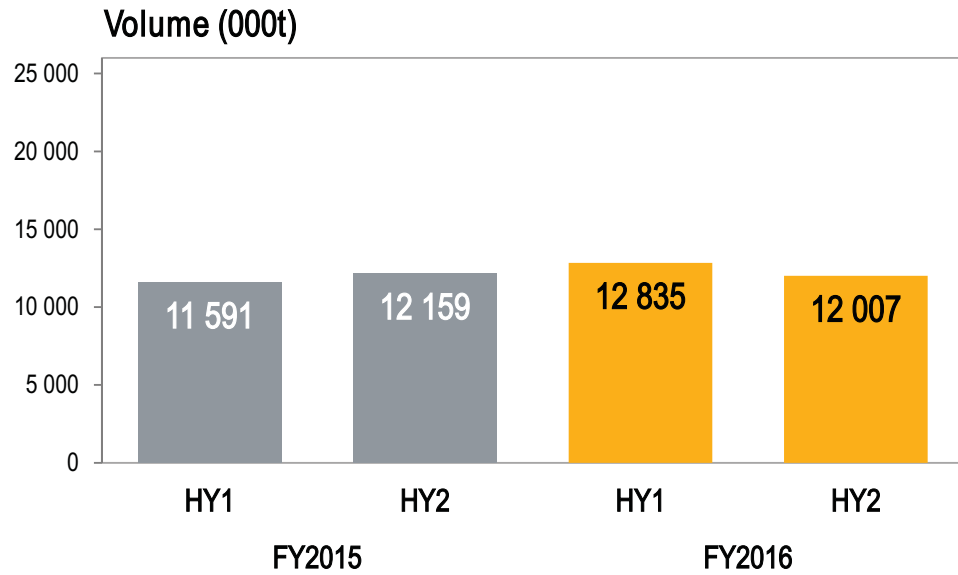
Average yield **9%**

Gold production **4%**

# OPERATING TRENDS



# OPERATING TRENDS





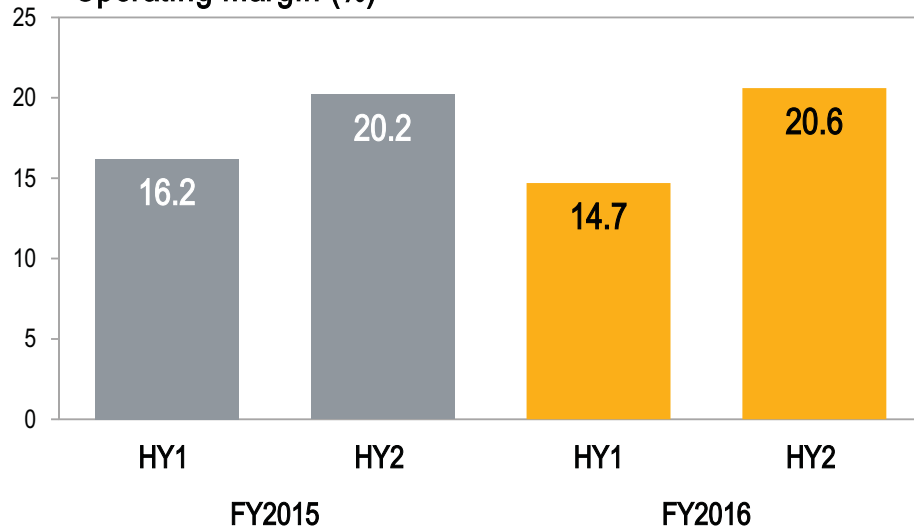
# FINANCIAL TRENDS



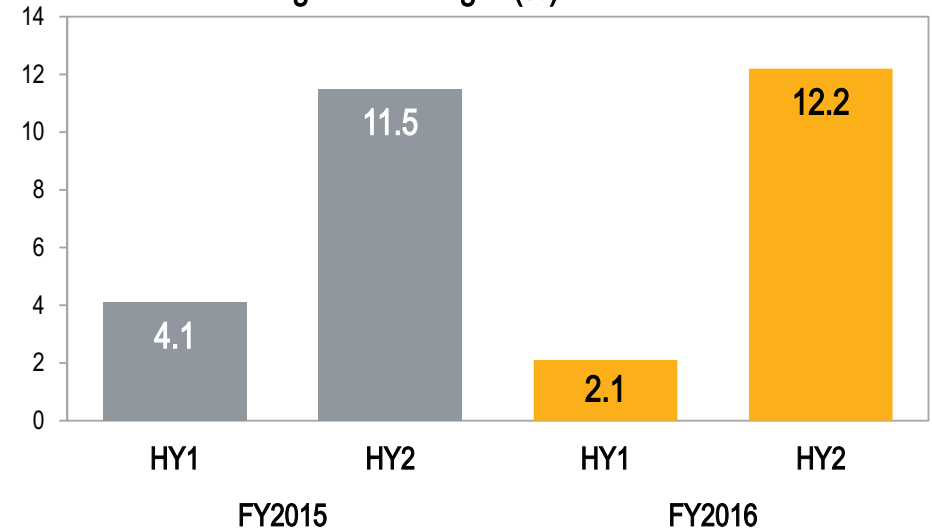
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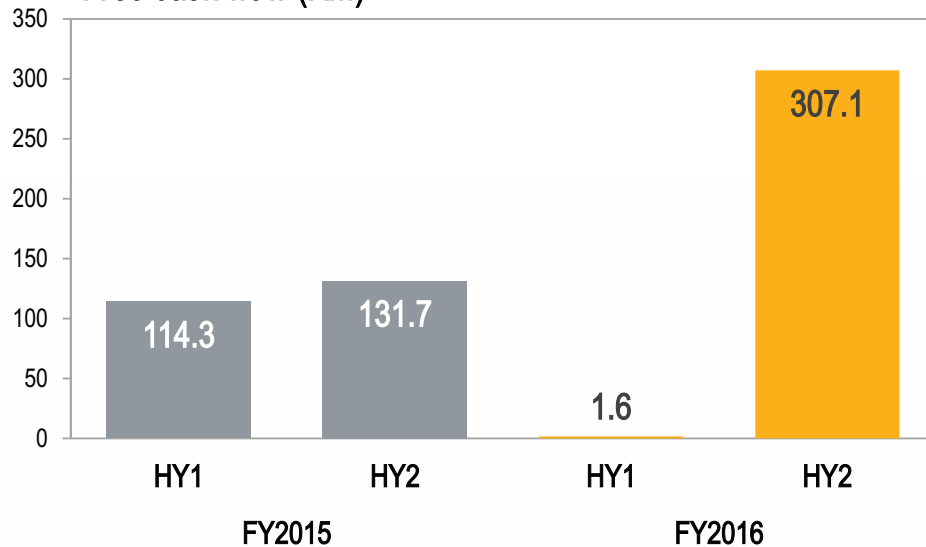
Operating margin (%)



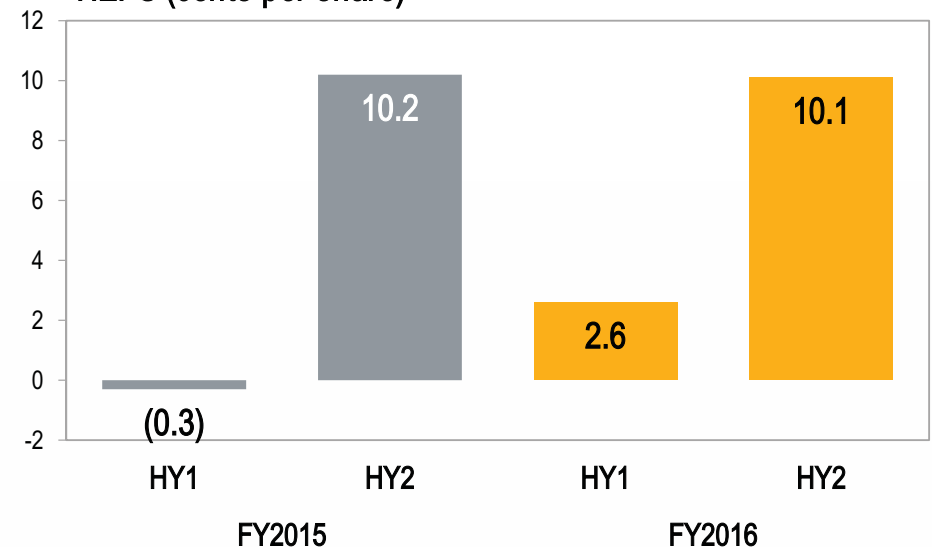
All-in sustaining costs margin (%)



Free cash flow (Rm)



HEPS (cents per share)



# FINANCIAL REVIEW: statement of cash flows

## for the year ended 30 June 2016



	Year to 30 Jun 2016 Rm	Year to 30 Jun 2015 Rm
Net cash inflow from operations	415.9	283.7
Cash flows from operations	398.2	285.2
Interest received	22.3	13.9
Interest paid	(5.0)	(11.9)
Tax refund/(paid)	0.4	(3.5)
Net cash outflow from investing activities	(107.2)	(37.7)
Proceeds on disposal of non-current investments and other assets	-	46.4
Additions to property, plant and equipment	(99.8)	(90.9)
Proceeds on disposal of property, plant and equipment	7.0	17.4
Environmental rehabilitation payments	(10.6)	(9.0)
Other	(3.8)	(1.6)
Net cash outflow from financing activities	(281.1)	(130.5)
Loans and other borrowings	(24.5)	(122.9)
Shares transactions	(3.7)	-
Dividends paid to owners of the parent	(252.9)	(7.6)
Increase in cash and cash equivalents	27.6	115.5
Opening cash and cash equivalents	324.4	208.9
Foreign currency translation	(0.2)	-
<b>Closing cash and cash equivalents</b>	<b>351.8</b>	<b>324.4</b>

# FINANCIAL REVIEW: statement of profit or loss for the year ended 30 June 2016

	Year to 30 Jun 2016 Rm	Year to 30 Jun 2015 Rm
Revenue	2 433.1	2 105.3
Cost of sales	(2 236.9)	(1 946.3)
<b>Gross profit from operating activities</b>	<b>196.2</b>	<b>159.0</b>
Impairments	-	(7.9)
Administration expenses and general costs	(76.7)	(56.2)
<b>Results from operating activities</b>	<b>119.5</b>	<b>94.9</b>
Finance income	36.8	51.5
Finance expenses	(47.5)	(49.6)
<b>Profit before tax</b>	<b>108.8</b>	<b>96.8</b>
Income tax	(46.9)	(28.6)
<b>Profit for the year</b>	<b>61.9</b>	<b>68.2</b>
Attributable to:		
Equity owners of the parent	61.9	67.8
Non-controlling interest	-	0.4
<b>Profit for the year</b>	<b>61.9</b>	<b>68.2</b>








# FINANCIAL REVIEW: statement of financial position at 30 June 2016

	Year to 30 Jun 2016 Rm	Year to 30 Jun 2015 Rm
Property, plant and equipment	1 600.5	1 698.8
Non-current investments and other assets	211.1	194.1
Deferred tax asset	6.8	1.2
Cash and cash equivalents	351.8	324.4
Other current assets	248.9	284.6
<b>Total assets</b>	<b>2 419.1</b>	<b>2 503.1</b>
Equity	1 339.6	1 529.9
Other non-current liabilities	48.4	28.4
Provision for environmental rehabilitation	522.9	493.3
Deferred tax liability	194.7	147.8
Current liabilities	313.5	303.7
<b>Total equity and liabilities</b>	<b>2 419.1</b>	<b>2 503.1</b>
<b>Current ratio</b>	<b>1.9</b>	<b>2.0</b>



# FIVE CAPITALS: FY2016 value-add

<p><b>NATURAL CAPITAL</b></p> 	<ul style="list-style-type: none"> <li>• Dust exceedances down</li> <li>• 36ha of tailings dams rehabilitated</li> <li>• 9% increase in processed water recycled</li> <li>• 942MI of sewage water retreated at Rondebult</li> <li>• 62ha of land rehabilitated</li> </ul>
<p><b>FINANCIAL CAPITAL</b></p> 	<ul style="list-style-type: none"> <li>• Free cash flow increased by 25%</li> <li>• Dividend yield of 7.3%</li> </ul>
<p><b>MANUFACTURED CAPITAL</b></p> 	<ul style="list-style-type: none"> <li>• Throughput 5% higher, reflecting measures taken to mitigate the decline in yield</li> </ul>
<p><b>HUMAN CAPITAL</b></p> 	<ul style="list-style-type: none"> <li>• Increase in HDSAs in management</li> <li>• Increase in women in mining</li> <li>• Increase in number of employees trained</li> </ul>
<p><b>SOCIAL CAPITAL</b></p> 	<ul style="list-style-type: none"> <li>• R15.1 million spent on community projects</li> </ul>




- **Revenue up 16%**
- **Operating profit up 13%**
- **Free cash flow up 25%**



# LOOKING AHEAD

- Brakpan/Withok Tailings Complex: long-term benefits if Ergo volume throughput is stable, recoveries consistent
- Linked to short-term production target enablers:
  - steady volume throughput
  - costs, extraction efficiencies
- Continued focus remains:
  - systems improvement
  - behaviours



# CONTACT DETAILS



## Registered office

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Crown Mines, 2092  
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South Africa

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Maraisburg 1700  
South Africa

## Shareholder data

(Incorporated in the Republic of South Africa)  
Registration No.1895/000926/06  
JSE share code: DRD  
ISIN: ZAE 000058723  
NYSE share code: DRD

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