



THE ASTROLOGERS FUND  
INVESTOR LUNCHEON  
NEW YORK  
7 JUNE 2023

Niël Pretorius  
*Chief Executive Officer*  
DRDGOLD







## 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 annual report for the fiscal year ended 30 June 2022, which we filed with the United States Securities and Exchange Commission on 28 October 2022 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.

# Who we are



## Legacy

South Africa's oldest continuously listed mining company still in operation, established in 1895

## Stock Exchange

Listed on JSE Limited and New York Stock Exchange

## Changing reality

Staying relevant by adapting to a changing reality  
Transitioned from underground to mega-volume tailings-retreatment

## Resilience and agility

Combining resilience and agility to be able to thrive as well as it survives, the company is rolling back the environmental legacy of mining





## Process

Gold produced from reprocessed tailings at two distinct business units in South Africa's Witwatersrand

## Logistics

Between 25m and 30m tonnes of material moved per annum

## Solution

Permanent solution for scarred land, reversing the environmental legacy of mining

# OPERATING MODEL

## MECHANISED

Highly mechanised high-pressure hydro-mining of discarded mine-tailings



## PUMPING

Slurry mix pumped to reduction works through network of pipelines



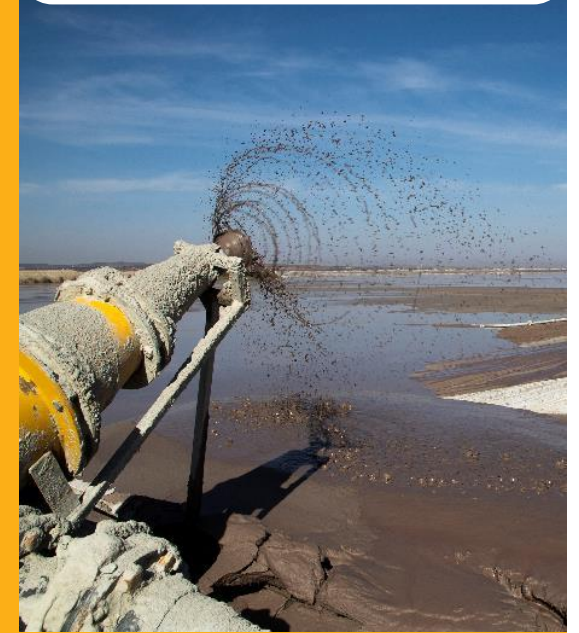
## PRODUCT

Gold recovered from slurry through extensively automated process



## DISCARD

Tailings deposited on a facility of a different design and following contemporary management practice





# OUR STRATEGY

## 1 MINE

our large surface gold resource optimally, profitably, sustainably



## 2 GROW

by replicating our business model and looking at PGM and battery metal prospects



## 3 USE

technology, information to enhance operational performance, minimise environmental impact



## 4 CREATE

a value-driven culture of employee safety, empowerment, diversity, inclusivity



## 5 IMPROVE

the quality of life of our host communities



# INTEGRATING 8 SUSTAINABLE DEVELOPMENT GOALS INTO OUR STRATEGY



# 12 THINGS YOU NEED TO KNOW ABOUT US

## 1. South Africa-based world leader in large-scale gold tailings retreatment

- **6.04Moz** Mineral Reserves
- **9.81Moz** Mineral Resources
- **1 000km<sup>2</sup>** + operating footprint

## 2. Two Witwatersrand operations

- **Ergo**
  - **3.58Moz** Mineral Reserves
  - **7.35Moz** Mineral Resources
- **Far West Gold Recoveries**
  - **2.46Moz** Mineral Reserves and Mineral Resources

## 3. Low operating risk

- Relative to deep-level underground mining
- ‘Mining where the **sun shines**’

## 4. Highly mechanised

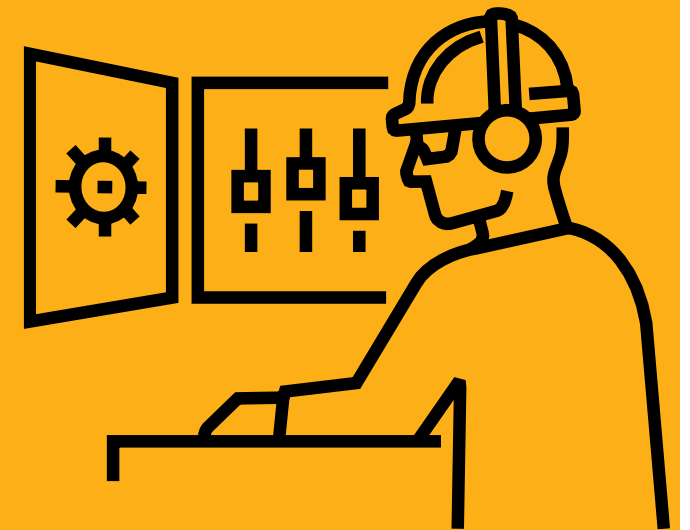
- **Digitisation** – 24/7/365 operational surveillance
- **Small, skilled and experienced** workforce
- Years-long track record of **labour stability**

## 5. Research and development programme

- Getting **more** out of **less**

## 6. Sound regulator relationships

- **Broad-based** black economic empowerment
- **Mineral and Petroleum Resources Development Act-compliant**





# 12 THINGS YOU NEED TO KNOW ABOUT US

## 7. Power, water supply stability

- Developing own PV power generation at Ergo
- Reducing **grid dependence** option
- Reducing **potable water** dependence

## 8. Compelling ESG proposition

- Reversing gold mining's **environmental legacy**
- **Liberating land** for redevelopment
- Empowering **host communities**

## 9. No 14 among top 100 JSE-listed companies in 2022

- Best performing gold company over the past five years



## 10. Dividends

- **16 years'** uninterrupted payments

## 11. Market capitalisation

- **R10 583m (US\$640m)** as at 31 December 2022

## 12. Growth prospects

- Gold and beyond, leveraging **Sibanye-Stillwater relationship**



**DIVIDENDS DECLARED  
TO SHAREHOLDERS**

**16-YEAR**

**UNINTERRUPTED  
DIVIDEND DECLARATION**





## 2022



Total value added

**R5 315m**

Total economic  
value distributed

**R4 236m**

Re-invested  
in the Group

**R872m**

## VALUE WE CREATED

VALUE  
CREATED



Revenue



Income from  
investments



Income from  
disposal of  
property, plant  
and equipment

# GROUP KEY FEATURES

AS AT 31 DECEMBER 2022



**Income tax paid:**  
R92.0m

**Pay as you earn  
(PAYE):** R121.5m

**All-in sustaining  
costs margin** of 17.0%

16<sup>th</sup> consecutive year of **dividend payment** of 20 cents per share declared as cash dividend (20 cents per share for HY1 FY2022)

11% increase in the average **Rand gold price** received to R961 022/kg

**Women in mining**  
Increased to 24% of total staff

**Socio-economic  
development spend of  
R28.9m** (48% increase)

**Dust exceedances  
contained to below  
2% of total  
measurements**

Revenue

**R2 654.3m**

6% increase

Operating profit

**R792.4m**

5% decrease

Production

**2 731kg**

5% decrease

Headline earnings

**R535.0m**

8% increase



# OPERATING UPDATE FOR THE QUARTER ENDED 31 MARCH 2023

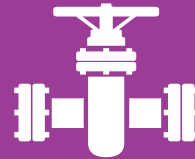
		Quarter ended 31 Mar 2023	Quarter ended 31 Dec 2022
<b>Production</b>			
Gold produced	kg	1 329	1 278
	oz	42 728	41 089
Gold sold	kg	1 289	1 320
	oz	41 442	42 439
Ore milled	Metric (000't)	5 217	5 686
Yield	Metric (g/t)	0.255	0.225
<b>Price and costs</b>			
Average gold price received	R per kg	1 079 878	977 126
	US\$ per oz	1 893	1 726
Cash operating costs	R/t	170	156
	US\$/t	10	9
Cash operating costs	R per kg	689 426	691 061
	US\$ per oz	1 208	1 221
<b>Capital expenditure</b>			
Sustaining	Rm	103.0	135.0
	US\$m	5.8	7.7
Non-sustaining/growth	Rm	160.2	64.9
	US\$m	9.0	3.7
Average R/US\$ exchange rate		17.75	17.61

# LOOKING AHEAD



## FY2023 GUIDANCE

- Achieve a gold production of between 160 000oz and 180 000oz
- @ cash operating cost of R685 000/kg
- Expected capital investment revised down to R900 million



## ERGO

- Completion of Phase I of solar power plant
- Commissioning of Rooikraal, Valley Silts and 4L3 for mining



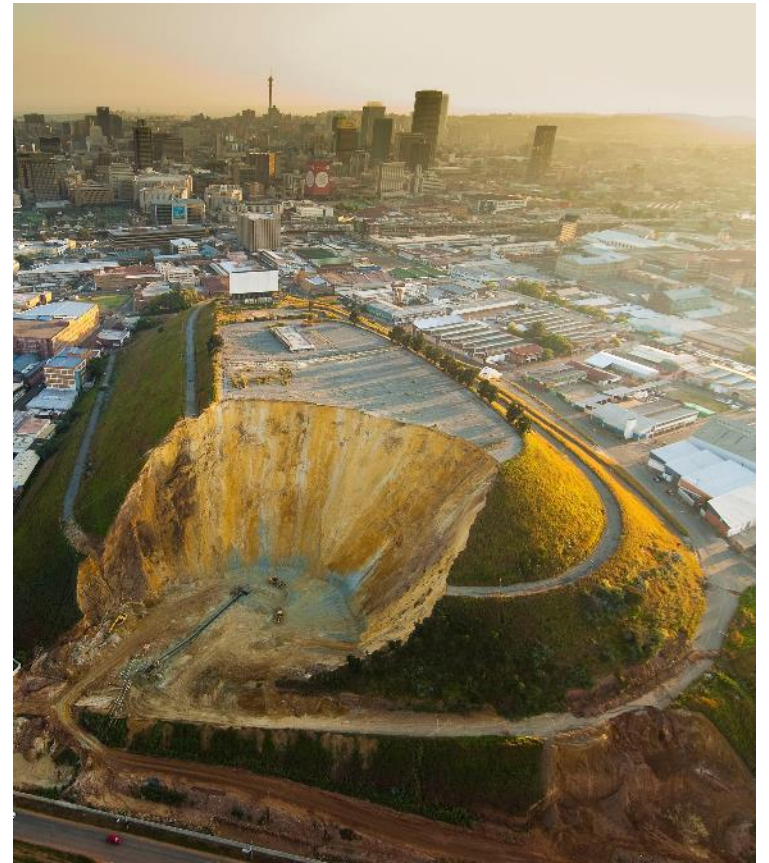
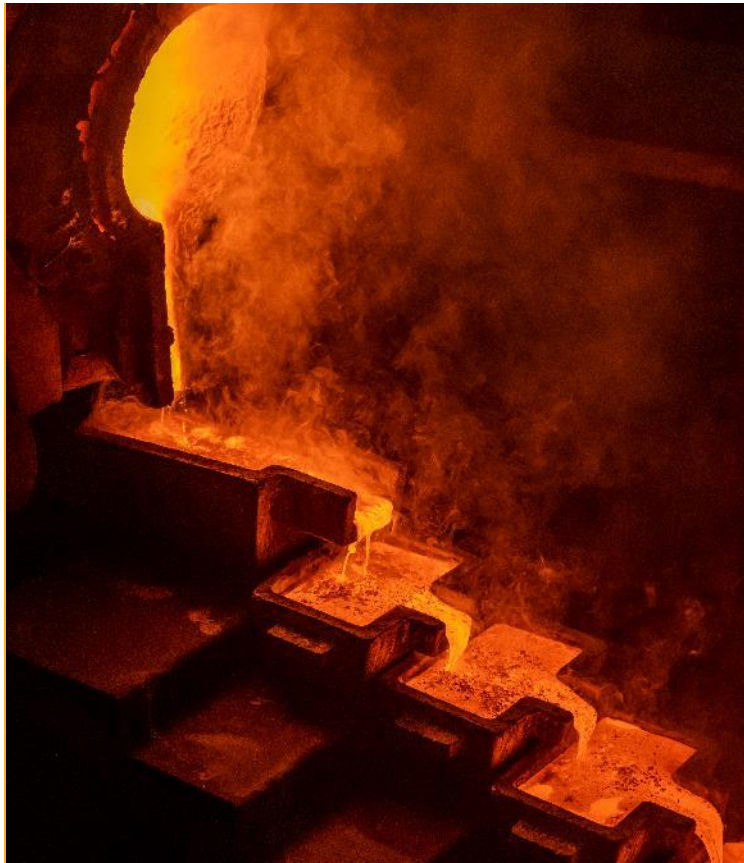
## FAR WEST GOLD RECOVERIES

- Commissioning of Driefontein 3 for mining



# WHAT WE INTEND DOING NEXT

From gold to multi-commodity reprocessing and rehabilitation of mine tailings



# From gold to multi-commodity reprocessing and rehabilitation of mine tailings



**Growth prospects** by unlocking further value from:

- Sibanye-Stillwater including green metals
- Other South African mining companies
- Defining global destinations where the company should operate from in future

**Capital investment strategy**

- New mega TSF in the Far West Rand
- Brakpan-Withok TSF continuation
- Green energy

**Value proposition**

- Green miner, producing green metals, generating green energy to drive green economies
- Circular economy



# Business for the times (circular economy)

Greenest gold ounces in the  
industry?

Generating wealth by 'taking out the waste'

No new mine-waste created

Land rehabilitated and environment restored

Mostly grey water in closed circuit used for reprocessing

60MW PV plant in the pipeline to significantly shrink carbon-footprint

Social capital focused through poverty alleviation, youth education and improved quality of life

# Appendix





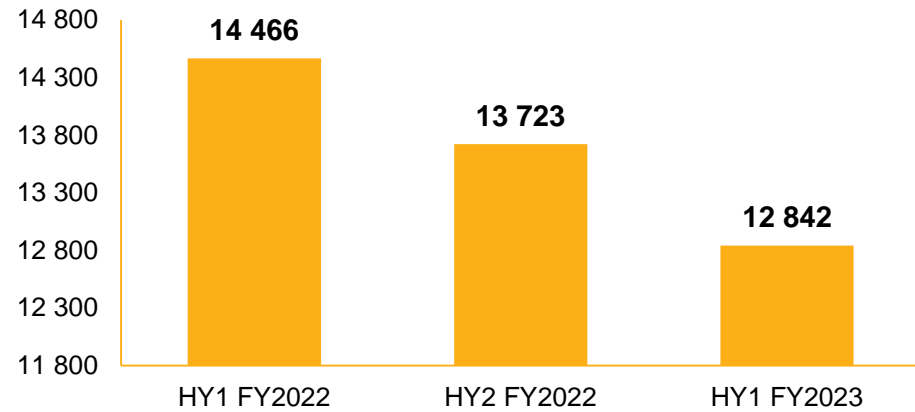
# OPERATING TRENDS



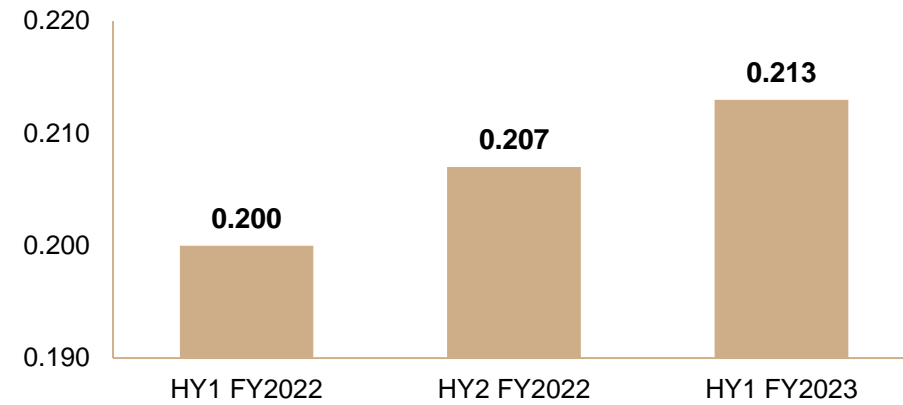


# GROUP OPERATING TRENDS

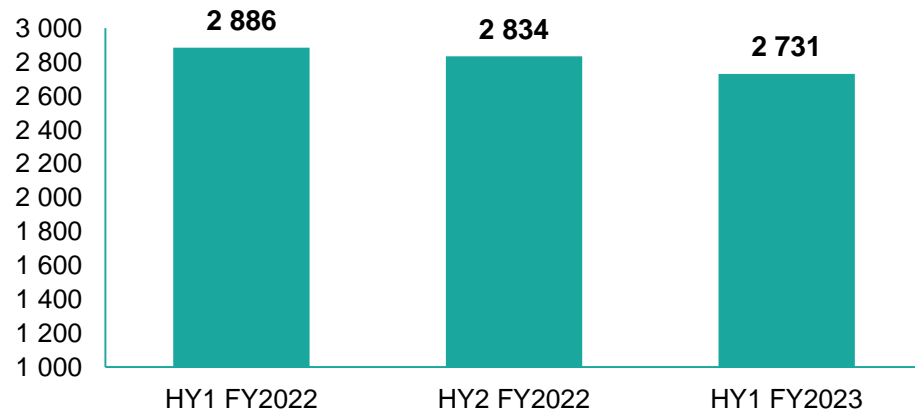
### Volume (000t)



### Yield (g/t)



### Production (kg)



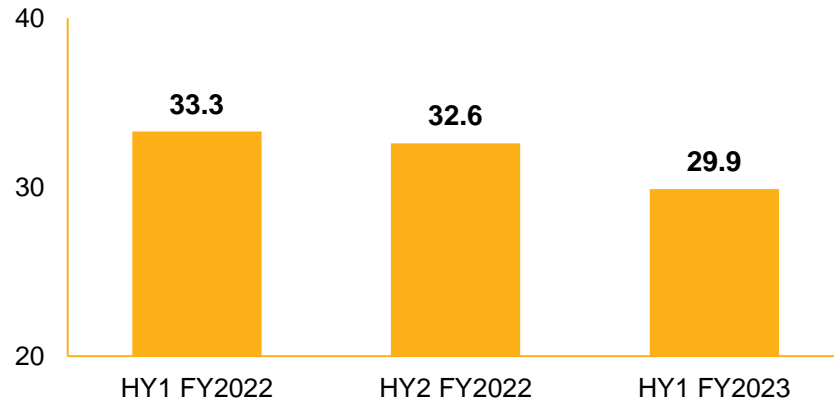
REIND

# FINANCIAL REVIEW

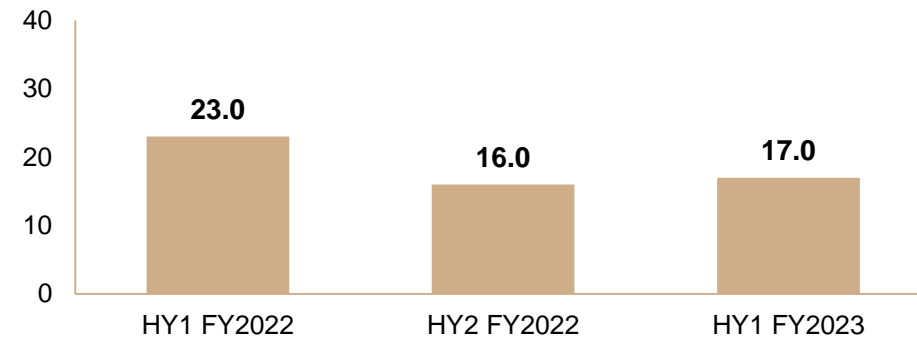


# GROUP FINANCIAL TRENDS

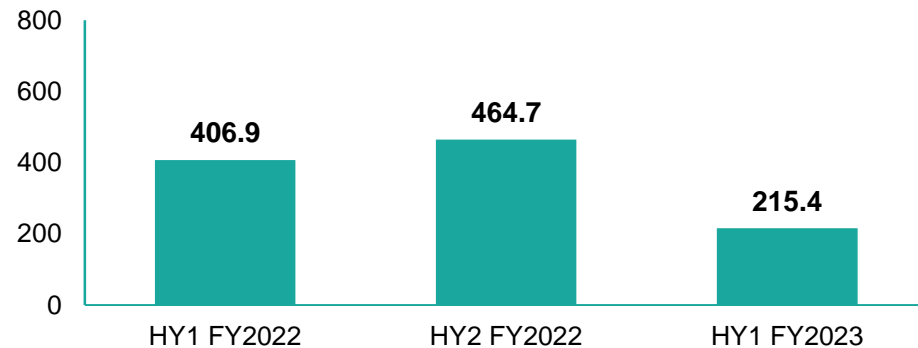
### Operating margin (%)



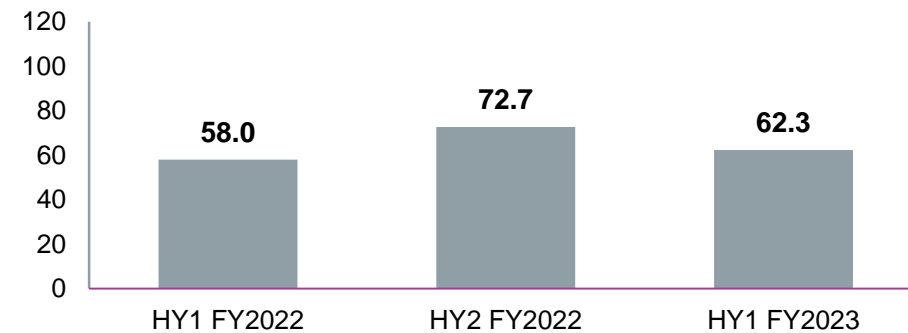
### All-in sustaining costs margin (%)



### Free cash flow (Rm)

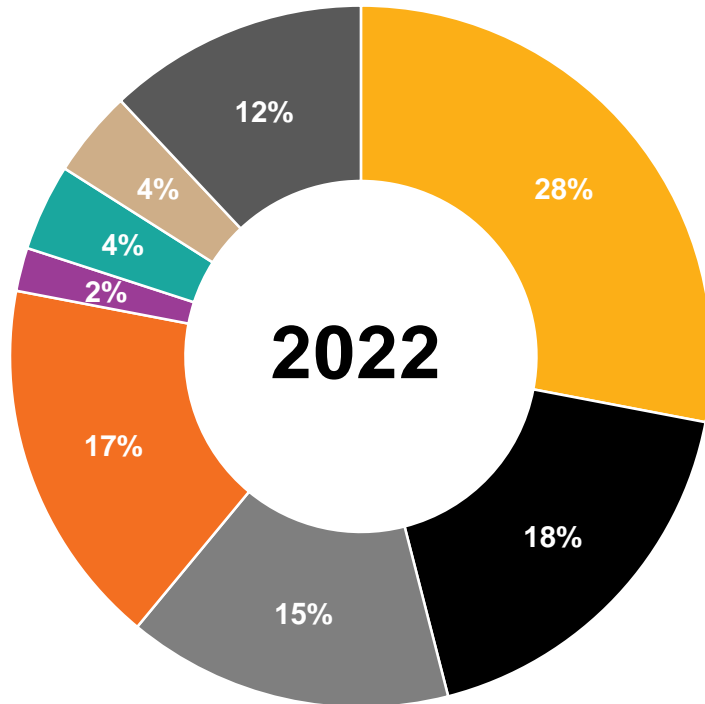


### HEPS (cents per share)

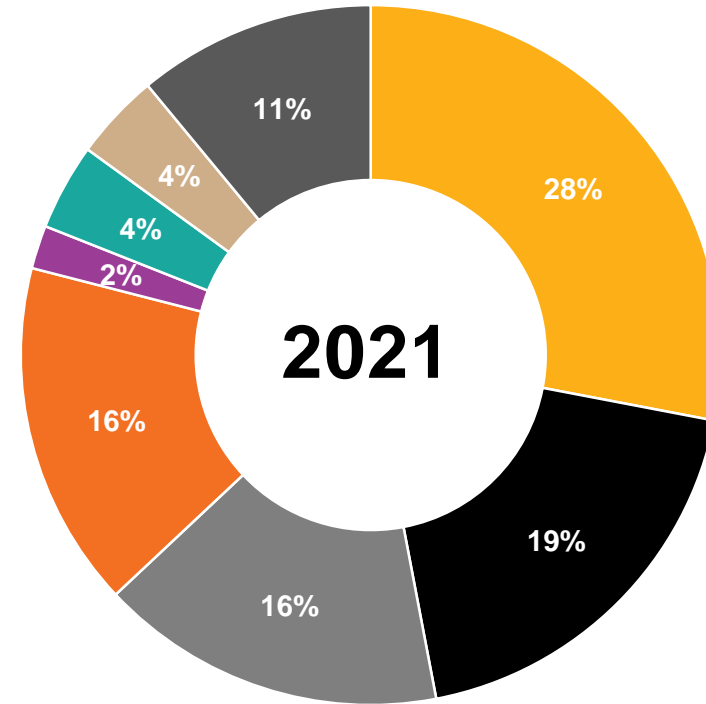




# OPERATING COSTS (%)



- Materials
- Labour
- Electricity
- Contractors
- Water
- Machine hire
- Security expenses
- Other



- Materials
- Labour
- Electricity
- Contractors
- Water
- Machine hire
- Security expenses
- Other

Reagents subject to above inflationary increases  
(oxygen and cyanide)

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Weakening of the Rand - import cost increases  
(carbon, floc, switchgear, high sheer agitator, solar  
panels, batteries, etc.)

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Sea freight price increases show no sign of  
stabilisation or decrease as yet

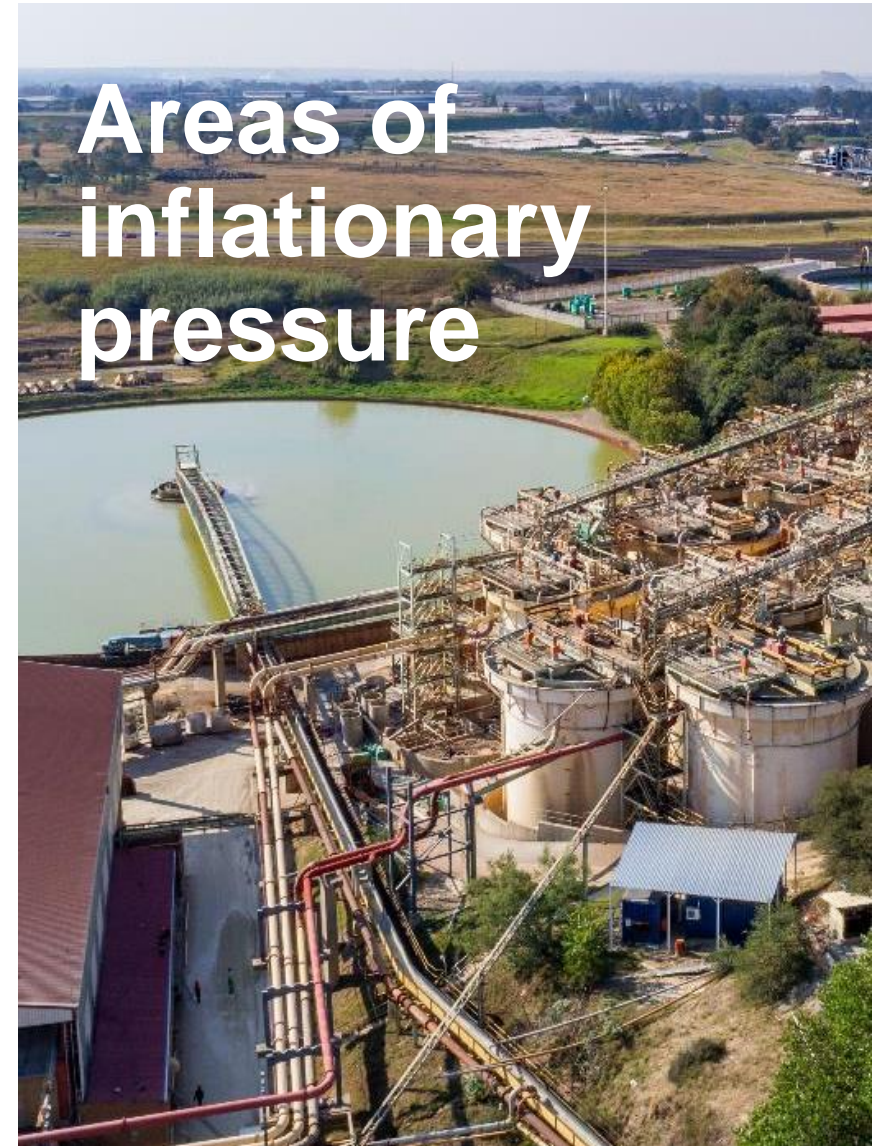
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Diesel price increases mean suppliers increase their  
delivered prices and some now bill delivery separately

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Electricity price increases

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# CAPEX PROGRAMMES



## **FWGR:**

Driefontein 3 reclamation and pump station

**R162m**

## **FWGR:**

Land for construction of TSF infrastructure

**R67m**

## **ERGO:**

Solar project - 20MW, MV works, upgrade current power line to 88kV

**R702.4m**

## **ERGO:**

Site establishment - piping and pumping infrastructure

**R325m**

## **ERGO:**

City Deep electricity supply infrastructure upgrade

**R24.2m**

## EXECUTION RISK

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Switch gear delivery times

---

Reagent supply and import costs

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Electricity supply

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Diesel shortages

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# FINANCIAL REVIEW: STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2022

	Six months ended 31 Dec 2022 Rm	Six months ended 31 Dec 2021 Rm
Revenue	2 654.3	2 498.5
Cost of sales	(1 985.7)	(1 831.1)
<b>Gross profit from operating activities</b>	<b>668.6</b>	<b>667.4</b>
Administration expenses and other costs	(80.7)	(82.0)
<b>Results from operating activities</b>	<b>587.9</b>	<b>585.4</b>
Finance income	157.6	114.8
Finance expenses	(33.5)	(30.9)
<b>Profit before tax</b>	<b>712.0</b>	<b>669.3</b>
Income tax	(177.0)	(173.4)
<b>Profit for the period</b>	<b>535.0</b>	<b>495.9</b>

# FINANCIAL REVIEW: STATEMENT OF FINANCIAL POSITION



AS AT 31 DECEMBER 2022

	As at 31 Dec 2022 Rm	As at 31 Dec 2021 Rm
Property, plant and equipment	3 366.3	2 854.5
Non-current investments and other assets	949.2	866.6
Deferred tax assets	10.3	15.9
Cash and cash equivalents	2 392.2	2 239.1
Other current assets	554.8	582.3
<b>Total assets</b>	<b>7 272.8</b>	6 558.4
Equity	5 630.6	4 972.2
Provision for environmental rehabilitation	539.3	577.8
Deferred tax liability	517.6	413.7
Other non-current liabilities	34.5	40.9
Current liabilities	550.8	553.8
<b>Total equity and liabilities</b>	<b>7 272.8</b>	6 558.4
<b>Current ratio</b>	<b>5.4</b>	5.1

# FINANCIAL REVIEW: STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2022

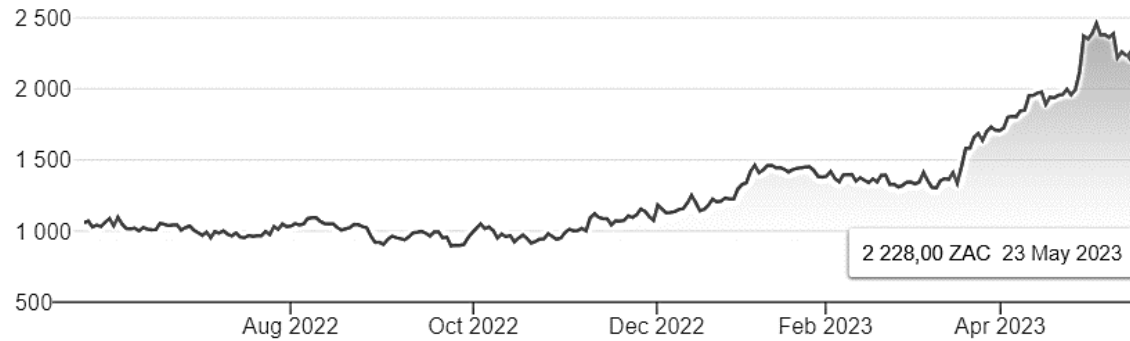
	Six months ended 31 Dec 2022 Rm	Six months ended 31 Dec 2021 Rm
Net cash inflow from operating activities	636.9	605.4
Cash generated from operations	601.4	618.0
Finance income received	81.4	52.0
Dividends received	48.4	41.0
Finance expenses paid	(2.3)	(3.8)
Income tax paid	(92.0)	(101.8)
Net cash outflow from investing activities	(421.5)	(198.5)
Acquisition of property, plant and equipment	(387.3)	(182.5)
Investment in other funds	(29.3)	-
Environmental rehabilitation payments to reduce decommissioning liabilities	(4.9)	(16.0)
Net cash outflow from financing activities	(351.4)	(353.7)
Dividends paid on ordinary shares	(342.5)	(345.5)
Repayment of lease liabilities	(8.9)	(8.2)
Net (decrease)/increase in cash and cash equivalents	(136.0)	53.2
Effect of exchange rate fluctuations on cash	2.6	5.9
Opening cash and cash equivalents	2 525.6	2 180.0
<b>Closing cash and cash equivalents</b>	<b>2 392.2</b>	<b>2 239.1</b>



**JSE**

**ZAR cents 2 220.00**

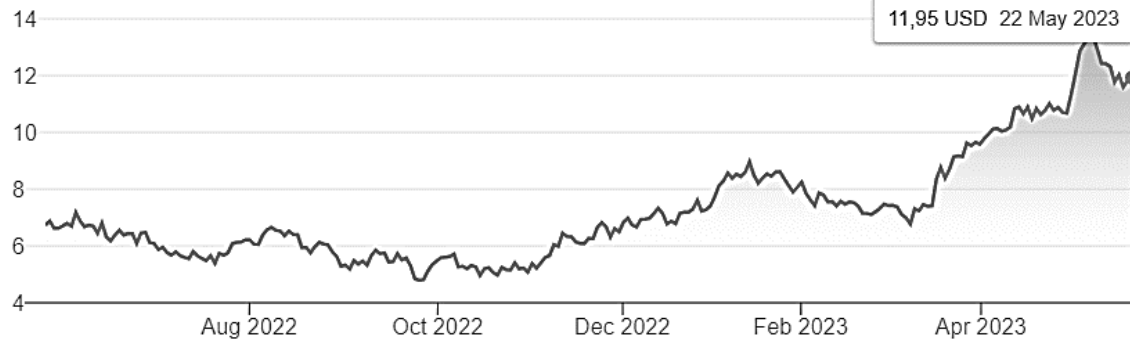
**22 May 2023**



**NYSE**

**USD cents 11.95**

**22 May 2023**



# SHARE PRICE



# OWNERSHIP AS AT 30 JUNE 2022

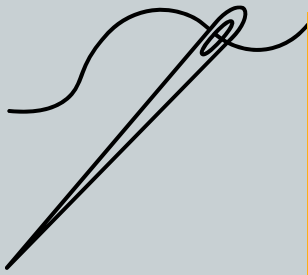
Sibanye-Stillwater <sup>1</sup>	433 158 944	50.1%
The Bank of New York (ADRs)	252 475 536	26.9%
Ergo Mining Operations Pty Ltd	6 612 266	0.8%
Directors	1 143 254	0.1%
Other public ownership	191 198 711	22.1%
<b>Total</b>	<b>864 588 711</b>	<b>100%</b>

<sup>1</sup>Sibanye Gold Limited trading as Sibanye-Stillwater

Ergo was previously owned by Ergo Mining Operations (Proprietary) Limited (EMO). EMO was 74% owned by DRDGOLD Limited and 26% by our Broad Based Black Economic Empowerment (BBBEE) partners – Khumo Gold SPV Proprietary Limited (Khumo) and the DRDSA Empowerment Trust. In FY2015, an agreement was entered into with our BBBEE partners entailing a roll-up of shareholding which included the substitution of their 26% shareholding in EMO for an 8.1% and 2.4% shareholding in DRDGOLD Limited, respectively. As at 30 June 2022, Khumo and the DRDSA Empowerment Trust held nil shares in DRDGOLD.



# OUR JOURNEY FROM SD TO ESG



**10+ years  
value-add from  
Five Capitals  
integration**

golden thread  
informing

**Strategy**

**Deployment  
of resources**

**Capital**



**FINANCIAL  
CAPITAL**

- Healthy cashflow
- Dividends
- Unhedged
- Strong cash position
- Conservative capital management
- No debt



**MANUFACTURED  
AND INTELLECTUAL  
CAPITAL**

- Integrated water circuit
  - reduction in use of potable water
- Extensive automation
  - safe, reliable
- Information management system
  - maintains extraction efficiencies
  - not more than 180-220 parts per billion surrendered



**SOCIAL  
CAPITAL**

- Poverty alleviation
- Youth development
- Broad Based Livelihoods programme – 8 000 people reached to date
- Maths, Science, Accounting Programme – 8 schools, 2 teachers, 662 pupils reached to date



**NATURAL  
CAPITAL**

- Dust suppression
- Tailings storage facility vegetation
- 911 hectares of land rehabilitated for redevelopment over 10 years
- Water management
- 61% reduction in potable water use over 10 years
- Land rehabilitation for redevelopment



**HUMAN  
CAPITAL**

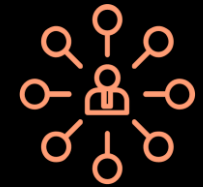
- Knowledge-based workforce
  - safe, healthy
  - representative of SA demographics
  - career, life skills development



# ESG



ENVIRONMENTAL



SOCIAL



GOVERNANCE

# E

## Our performance for the six months ended 31 December 2022



**2.0%**

increase in externally sourced potable water



**1.5%**

dust emissions exceedances



**R18.2m**

spent on rehabilitation



**8ha**

tailings deposition facilities vegetated



**1 388Mℓ**

Potable water consumption

### TAILINGS MANAGEMENT

External Tailings Review Panel

Internal Tailings Performance Management System (TPMS) implemented for dedicated data collection, storage and processing. Ensures integrity of data for day-to-day management and oversight

Review of Historical Interferometric Synthetic Aperture Radar (InSAR) imagery for mapping ground deformation over large areas

Quarterly drone surveillance



# Environmental value-add at a glance



		Six months 31 Dec 2022	Six months 31 Dec 2021
Hectares of TSFs vegetated	Ha	8	37
Electricity consumption	Mwh	173 883	191 951
Potable water consumption	Ml	1 388	1 362
Total carbon emissions	CO <sub>2</sub> e (t)	194 293	207 330

# R18.2m

Environmental spend

HY1 FY2022: R34.7m







# R28.9m

spent on socio-economic development, including through Broad-Based Livelihoods Programme (R19.7 million spent in HY1 FY2022)

# S

Our performance for the six months ended 31 December 2022

Safety performance  
**no fatalities**

# R8.0m

Employee training spend

TOTAL WOMEN  
IN MINING

**24%**

HDSAs  
in management

**75%**



# Regenerating communities

## Building sustainable livelihoods

Over 7 800 households across the **City of Ekurhuleni, City of Johannesburg and Merafong City** have benefitted from DRDGOLD's sustainable livelihoods programme (the Broad-Based Livelihoods (BBL) programme). In the face of rising inflation, negative effects of COVID-19 and load shedding, BBL families are more economically resilient - able to provide reliable healthy nutrition for their families, expand their economic livelihoods while pursuing their dreams towards a better future.

Over **750 vegetable tunnels** have been constructed since 2018



The DRDGOLD BBL has grown local economies **from the bottom-up** through mass activation and participation of households into the economy.

The various sub-programmes of the BBL enable people to start a diversity of activities from micro-agriculture, to manufacturing, to trading and supply within local communities according to the market demand.

This results in an increase in the injection and circulation of funds within the local economy, thereby **growing that local economy.**



# G

Our performance for the six months ended 31 December 2022



Integrated Reporting Framework



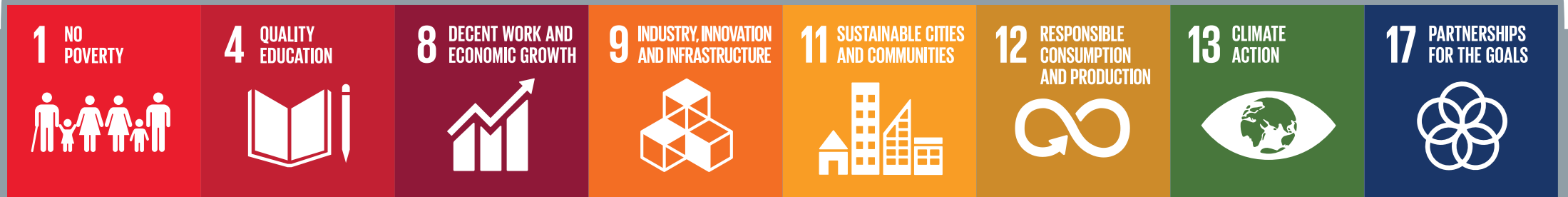
Global Reporting Initiative



United Nations SDGs



Responsible Mining Principles







# Contact us

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**Website:** [www.drdgold.com](http://www.drdgold.com)

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Cnr 14<sup>th</sup> Ave / Hendrik  
Potgieter Road  
Weltevreden Park 1709  
PO Box 390  
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