



# RESULTS FOR THE QUARTER

## ENDED 30 SEPTEMBER 2014

Niël Pretorius, CEO  
Johannesburg  
24 October 2014

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

# 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 2013, which we filed with the United States Securities and Exchange Commission on 25 October 2013 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 report have not been reviewed and reported on by DRDGOLD's auditors.

## Key features

### Q1 FY2015 vs Q4 FY2014

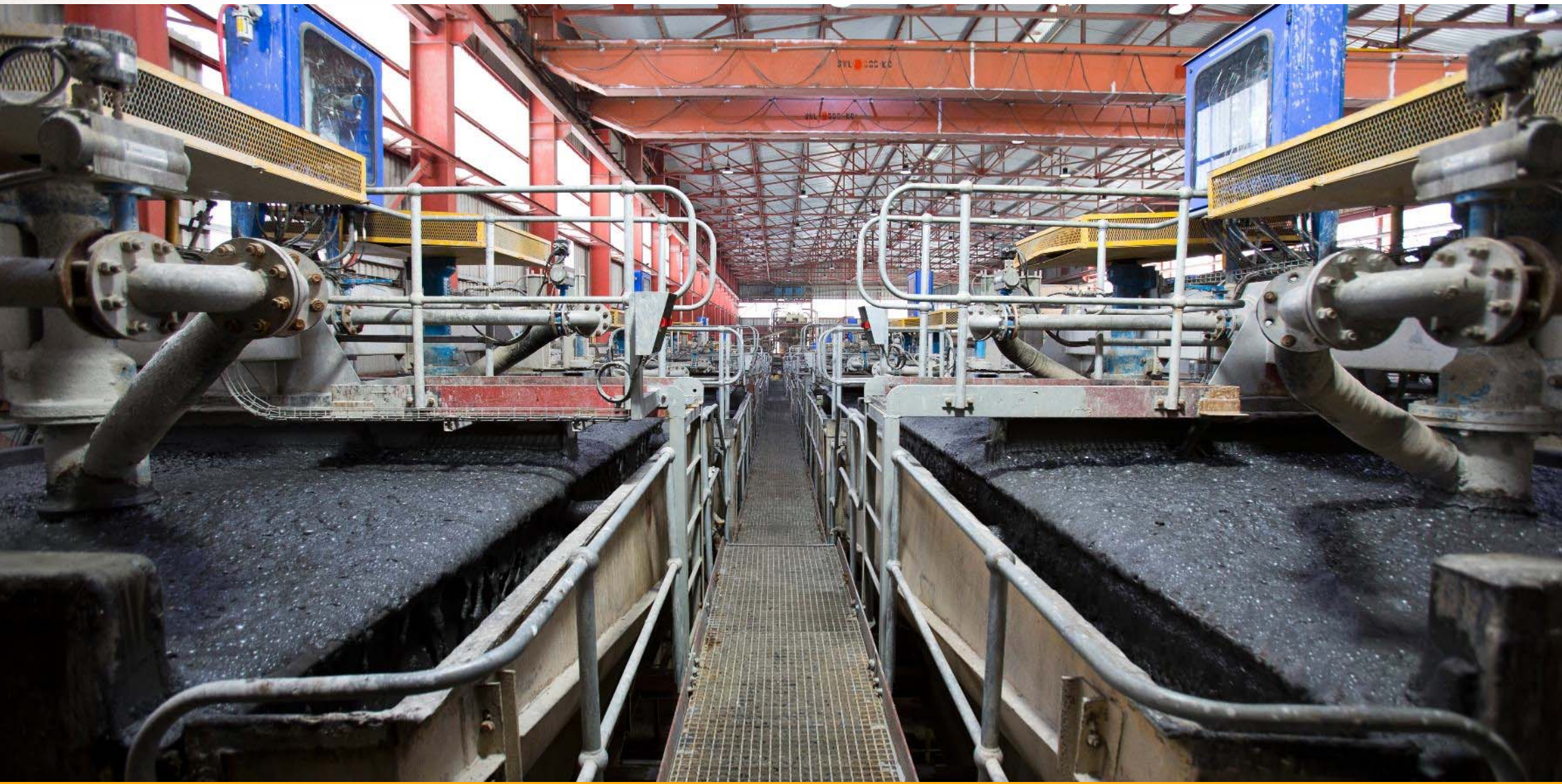
- Gold production up 8% to 37 005oz
- Operating profit up 52% to R79.7 million
- Cash balance steady net of loan retirement
- Wage settlement extended until 2016

### Q1 FY2015 vs Q1 FY2014

- Gold production up 10% to 37 005oz
- Operating profit up 11% to R79.7 million
- AISC down 9% to US\$1 237/oz
- EBITDA up 87% to R48.0 million



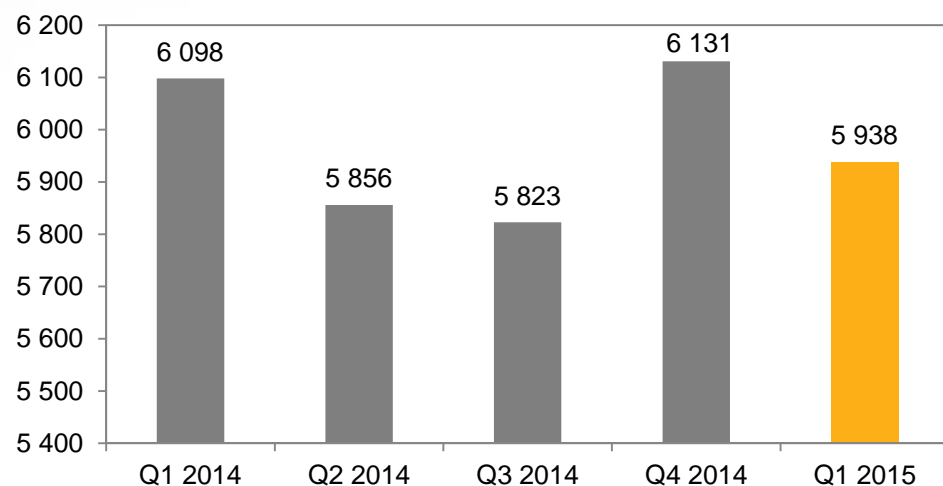
# OPERATING TRENDS



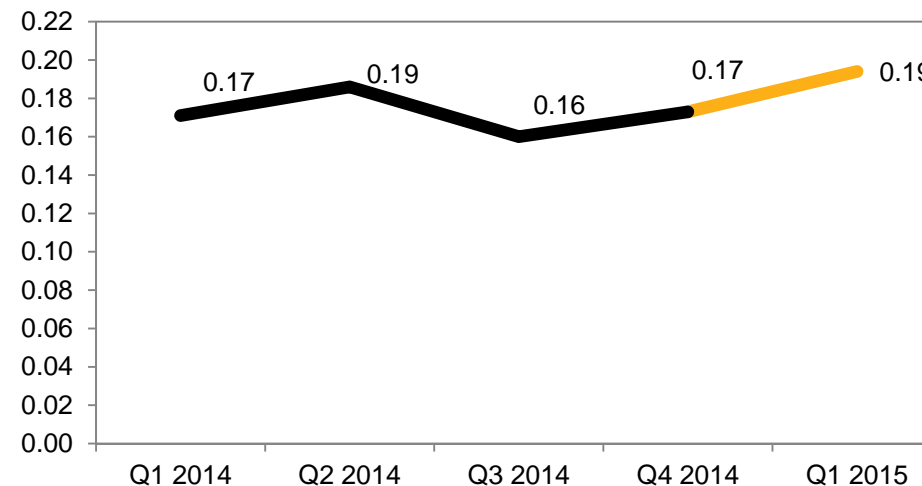
# Operating trends



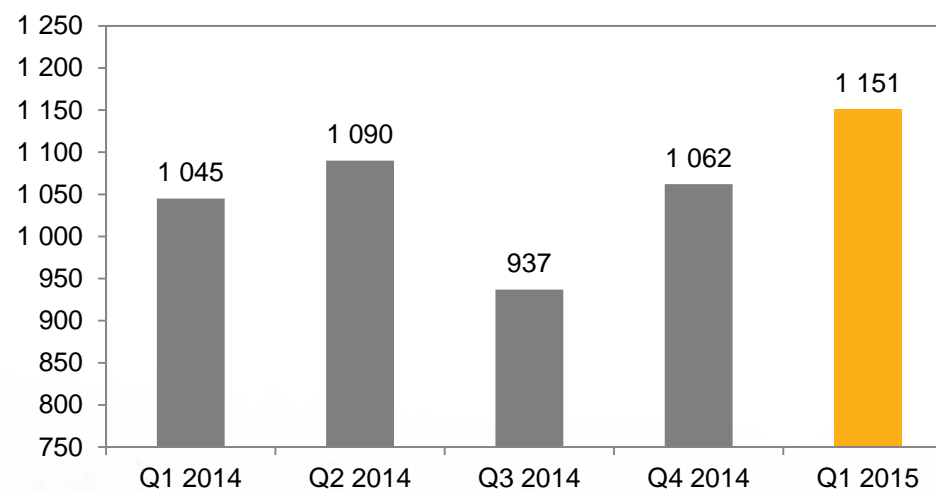
Volume (000t)



Yield (g/t)



Production (kg)

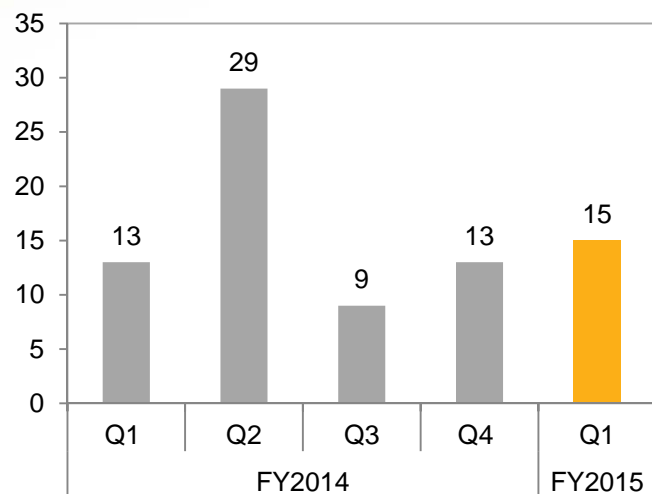


# FINANCIAL INDICATORS

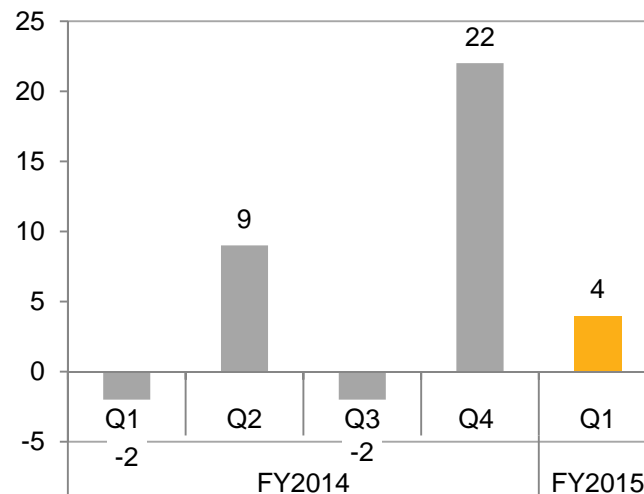


# Trends

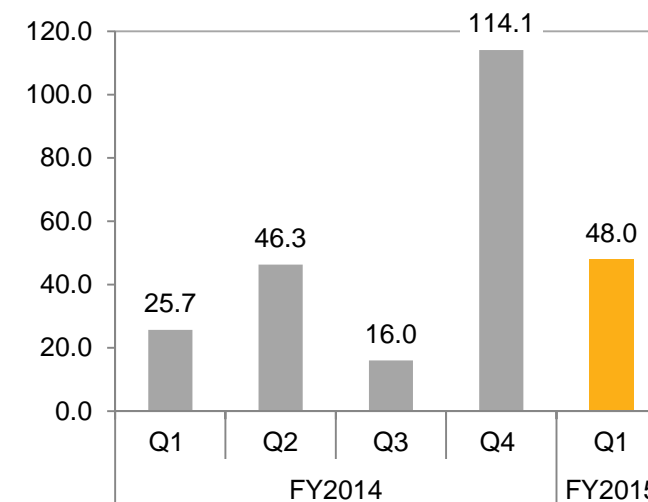
**Cash operating margin (%)**



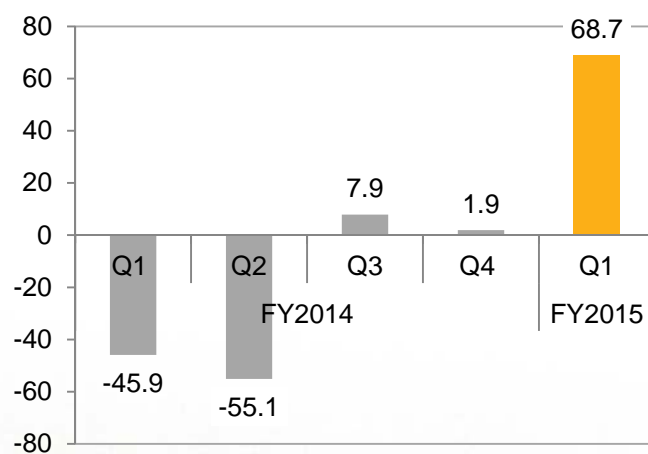
**All-in sustaining margin (%)**



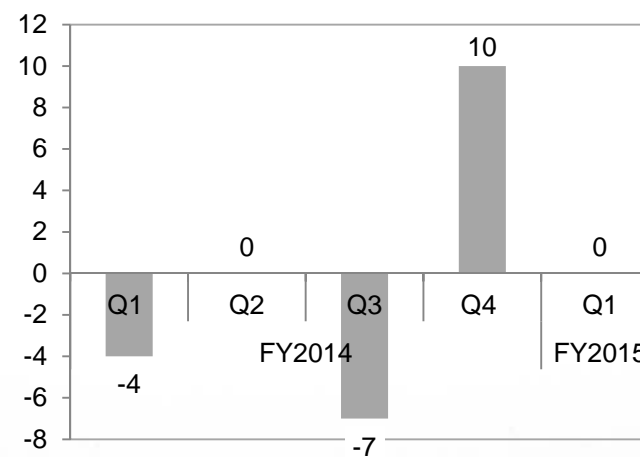
**EBITDA (Rm)**



**Free cash flow (Rm)**



**HEPS (cents per share)**



# Financial review: statement of profit and loss for the quarter ended 30 September 2014 (Q1 FY2015)



	Q1 FY2015	Q4 FY2014	Q1 FY2014
	Rm	Rm	Rm
Revenue	528.5	447.4	484.0
Net operating costs	(448.8)	(394.8)	(412.0)
<b>Operating profit</b>	<b>79.7</b>	52.6	72.0
Depreciation	(40.0)	(38.9)	(36.4)
Movement in provision for environmental rehab	(2.0)	94.7	(4.0)
Environmental rehab costs	(4.6)	(0.7)	(10.7)
Other income and costs	(27.1)	(84.1)	(32.4)
Net finance (expense)/income	(7.6)	(4.3)	(6.0)
<b>(Loss)/profit before tax</b>	<b>(1.6)</b>	19.3	(17.5)
Income tax	(3.1)	(11.4)	(4.7)
<b>(Loss)/profit after tax</b>	<b>(4.7)</b>	7.9	(22.2)
<b>HEPS (cents per share)</b>	<b>0</b>	10.0	(4.0)
<b>EBITDA</b>	<b>48.0</b>	114.1	25.7



# Financial review: statement of financial position at 30 September 2014 (Q1 FY2015)



	Q1 FY2015	Q4 FY2014	Q1 FY2014
	Rm	Rm	Rm
Property, plant and equipment	1 734.3	1 755.5	1 775.7
Investment in equity accounted investment	–	–	0.3
Non-current investments and other assets	36.8	36.9	129.3
Environmental rehabilitation trust funds and guarantees	177.7	176.5	181.2
Deferred tax asset	1.4	1.4	1.5
Cash and cash equivalents	204.3	208.9	330.8
Other current assets	239.3	261.5	249.8
<b>Total assets</b>	<b>2 393.8</b>	<b>2 440.7</b>	<b>2 668.1</b>
Equity	1 469.9	1 481.2	1 569.1
Long-term liabilities	9.8	84.8	84.6
Provision for environmental rehabilitation	462.7	451.2	537.3
Deferred tax liability	118.0	116.0	109.1
Current liabilities	333.4	307.5	368.0
<b>Total equity and liabilities</b>	<b>2 393.8</b>	<b>2 440.7</b>	<b>2 668.1</b>
<b>Current ratio</b>	<b>1.3</b>	<b>1.5</b>	<b>1.6</b>

# High Grade Section (one third of production): status update



What is working currently		What needs additional optimisation	
1	The float circuit	1	High Grade electro-winning circuit
2	The mills	2	Flotation tail leach optimisation
3	High Grade leach efficiency	3	High Grade leach configuration
4	Water balance		
5	Carbon efficiencies		
6	Thickeners		

What we do not know yet	
1	The full extent of the impact of float reagents on recoveries
2	The extent to which the High Grade Section impacts on overall recovery

# Test work: focus on five key drivers

1	Float circuit to achieve 3.5% to 4% mass pull, containing 40% of gold carried in feed	Green
2	Mills achieving 20-22 microns, to specified power and grinding media consumption	Green/Orange
3	Leach and carbon adsorption efficiencies	Green
4	Effect of float circuit on downstream CIL efficiencies	Green
5	Reduction in washed residues (solids) of 0.03g/t au	Light Green



# Looking ahead

- Plant performing satisfactorily
- Test work
  - results encouraging
  - informing additional adjustments needed
- On track for completion end December



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NYSE trading symbol: DRD