

BLYVOOR

puts safety first

“Safety is mine” is the slogan DRD’s Blyvoortzicht gold mine uses to encapsulate its philosophy toward safety. A metalliferous mine located near Carletonville in South Africa, concurs that the establishment of a culture of health and safety amongst all employees, as espoused by the Mine Health and Safety Act, is pivotal to success in this regard.

Risk assessment and proper management of risk is seen as the vehicle to meet this objective, with particular emphasis on training, participation and employee involvement.

The mine has instituted a health and safety committee, which meets monthly to review the safety performance, and has a dedicated health and safety department, which currently comprises a chief safety and training officer, two health and safety officials, a safety trainer and two full-time health and safety representatives. In an effort to optimise safety compliance underground, a trained and appointed representative as

well as a trained alternative is allocated to each working place.

The driving principles of Blyvoort’s safety programme are:

- No person has the right to injure himself
- No person shall, through his actions, cause injuries to his fellow workers or damage to company property
- Safety is embraced at the highest levels of the organisation, encouraging full participation
- Safety shift per month – planned no blast
- Full commitment and compliance
- Safety is always first

Says Willie Nelson, chief safety and training officer at Blyvoort, “Only if these principles are applied can we hope for our safety programme to succeed. The fact that every dressing case is reported and investigated, and corrective action is taken, helps in understanding and preventing accidents.”

Blyvoort has won the Carletonville Association of Mine Managers’ Intermine safety

competition for three years’ running (1998, 1999 & 2000). The total workforce celebrated two million fatality-free shifts in October 2000, after having achieved one million fatality-free shifts just seven months prior. The mine is also proud of the decline in both its reportable injury frequency rate (RIFR) and disabling injury frequency rate (DIFR).

Nelson concludes, “The successes achieved to date would not have been possible without the full cooperation we’ve received from the unions and associations, as well as the commitment and full participation from each and every employee at Blyvoort. I urge us to keep it up and continue to perform well on the safety front into the future.”

Stop Press

Congratulations to DRD’s North West Operations (which includes Harties and Buffels) - they achieved 1 000 000 fatality-free shifts on Saturday, 11 August 2001.

MARK ON Tolukuma

I am writing this at an elevation of 5,000ft in the Central Highlands of Papua New Guinea. I have just shaken hands with a five foot tall chief who was wearing a loincloth, had smeared his body with whitish clay and carried a bow and arrow. He is one of our local landowners at the Kunda vein extension of our Tolukuma mine here. What he didn’t know was that the clay he had covered his body in order to ‘dress up’ to greet me, would have assayed at about 40g/tonne of gold.

Sitting on the rim of an extinct volcano, one cannot but be impressed with the newness and vitality of this land, which exists more in the vertical axis than the horizontal. Sharp jagged edges to all the mountains, landslides and frequent earth tremors are real reminders that one is sitting as close to the act of land creation in geological terms as one is able to do on this planet. The freshness and newness of everything, combined with the lack of

erosion not only make this a slightly primordial place, but also an exciting prospect for miners.

DRD is the largest exploration tenement holder in the island of PNG with claim areas covering some 1,500 km². To date, our focus has been within our existing mining license in order to extend the reserve life of our current open pit and underground operations at the Tolukuma mine. This is what led me to bump into our local chieftain. Our prospecting has led to the discovery of an extension on our existing vein system for a further 1,7km in strike, which offers the potential to double the existing mine life of currently four years.

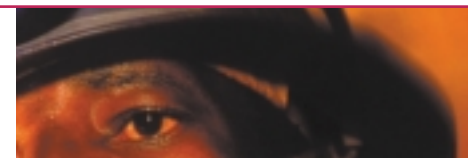
But, let’s return this picture of the ‘Jurassic Park’ of geology. The veins we are mining result from earlier volcanic activity and are termed epithermal as the mineralising fluids rose from the centre of the earth’s crust. However, these eruptions occurred sequentially and we are finding that our gold orebodies have been

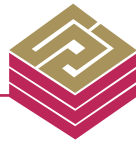
‘stacked’ or layered, one on top of the other. With this information we are now confident of finding even more Tolukuma’s.

Outside the mining lease we are also increasing our knowledge of the type of orebodies we may be encountering. This is most exciting, as we host copper porphyries, ‘Lihir’ type epithermals and Lepanto style vein systems. These will all require further investigation, but are more than sufficient to keep our geologists fully occupied for several years.

DRD is going to be in PNG for a very long time, at least in terms of our human time frame, but one which is miniscule when compared to the time since the creative Big Bang which formed these beautiful mountains some 15 billion years ago – and is still shaping them.

Mark Wellesley-Wood
Monday, 13 August 2001





DEON VAN DER MESCHT DELIVERS AT **Blyvoor**



Although some describe the South African gold mining industry as a sunset industry, Deon van der Mescht, General Manager of Blyvooruitzicht Gold Mine, believes "that the operating of 'aged' or 'matured' gold mines will be possible for decades to come."

Says Deon, "Mining these mines successfully and profitably is a process that requires innovation, determination and a fresh outlook."

Deon took up the reigns as General manager at DRD's Blyvooruitzicht mine near Carletonville in January 2001, after having proved his mettle as the head of a contracting firm (established and managed by himself) to specialise in pillar mining in some of the older Blyvooruitzicht shafts. It was on seeing the successes Deon and his team achieved through pillar mining in these shafts that DRD decided to incorporate the contracting firm into Blyvooruitzicht in December 2000.

Deon's experience stretches back to the early 1980s, when he started in the gold mining industry as a learner official at Evander Mines. He went on to obtain his National Higher Diploma in Metalliferous Mining, and continued to climb through the ranks. He singles out his time at DRD's Buffelsfontein Gold Mine, where he worked as Production Manager from 1997 to 1999, as a period in which he gained invaluable experience in pillar mining.

"I have a passion for mining, and enjoy what I do – often at the expense of my other duties", he admits, but goes on to explain that "at Blyvoor, we have managed to realise the potential of the mine's resources – including the people – to the benefit of all stakeholders."

A keen sportsman, Deon played first class level rugby and plays cricket, soccer, tennis and squash whenever time permits. He is married with two children.

WAGE REVIEW TO 2003 **CONCLUDED**

DRD and the National Union of Mineworkers (NUM)



successfully concluded the 2001 to 2003 review of wages and other conditions of employment for category 2 to 8 employees earlier this month. The overall settlement was 7% per year over the 2 year period with slightly higher increases for the lower paid workers, thus largely achieving NUM's objective of a Minimum Living Wage by the end of the 2 year period.

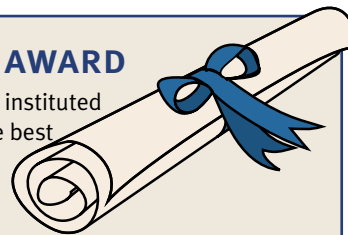
In addition, agreement was reached on the following with regard to other conditions of employment:

- A minimum of 23 days annual leave will be granted this year, increasing to a minimum of 24 days annual leave next year
- Certain agreements in respect of medical incapacitation for all terminally ill employees
- Certain agreements in respect of wellness programmes and medical care for those employees infected with HIV/AIDS
- Agreement with regard to affirmative action, training and development, retention of skills and employment of women

Said Vic Hoops, who heads up human resources at DRD and conducted most of the negotiations on the company's behalf, "This is the last time that Durban Deep will negotiate with its workforce in such a forum. We will develop stronger stakeholder relationships for the future through greater dialogue and communications and develop our own reward system which will provide further benefits linked to productivity and profitability."

DRD SCOOPS SAMREC/IASSA AWARD

DRD was very proud to be the first recipient of a newly instituted award for "the mining or exploration company with the best reporting of Resources and Reserves according to the SAMREC code".



Chairman Mark Wellesley-Wood received the award at the *Best Reporting and Communication Awards* gala dinner hosted by the Investment Analyst Society of South Africa (IASSA) at the Hilton Hotel in Sandton on 16 August 2001. Voted on by members of IASSA and the SA Minerals and Resources Committee (SAMREC), the awards are made to various listed companies for reporting and communication excellence.

Said Mark Wellesley-Wood, "In instituting this new category of award, the investment community is recognising that the true value of a mining company rests with its reserves in the ground and not necessarily its balance sheet. Durban Deep is honoured to have received this acknowledgement in its inaugural year."



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