

Tolukuma presents *good production/exploration mix*

At a glance

- *Operational for 5 years*
- *High grade gold (15 – 60 g/t) and silver (100 – 200 g/t) mineralisation occurs in 1.5 to 2.0 m-wide quartz veins extending over 1 km strike length*
- *70 000 oz gold per annum with resources for at least 5 years at current production*
- *140 000 tons of ore treated per annum through conventional SAG/CIL circuit*
- *Gold recoveries of 88% to 90%*
- *Solid operational base in highly prospective Papua New Guinea*

DRD owns and operates the Tolukuma gold mine in the highly prospective Papua New Guinea. Located in mountainous terrain 100 km north of Port Moresby, the Tolukuma

project was purchased from Newmont for US\$6 million in 1993. DRD later acquired the holding company, Dome Resources, in 2000. A small, high grade operation producing around 2.1 tons of gold and 7.5 tons of silver per annum, Tolukuma was commissioned in December 1995. The mine has produced more than 9 tons of gold and 32 tons of silver at an average cost of US\$180/oz since coming on stream.

Mining

Underground mining – mechanised cut and fill stoping – which is occasionally augmented by flat-back stoping, is owner operated and relatively low risk. The mill processes 120 000 – 150 000 tpa through a conventional SAG/CIL circuit with electro-winning of the precious metals. Gold recovery of between 88% – 90% is limited as a result of the presence of stibnite (antimony sulphide). As the mine is situated in particularly mountainous terrain, all freight and transportation to site is by helicopter, adding an additional US\$50/oz to the cost of production. An opportunity to reduce diesel consumption was identified and in 1997, a 2 megawatt hydro-electric power plant – which supplies the majority of current site power – was commissioned. Gold and silver mineralisation occurs in

The cost of cheese

We are becoming fanatical about costs at DRD. Developing such a paranoia is entirely healthy in my view, as there is no better way to put profit on the bottom line, especially in our industry where the sales price is so much beyond our control. I am not talking about paper clips here, I am talking about our complete supply chain - every single invoice or purchase made by DRD.

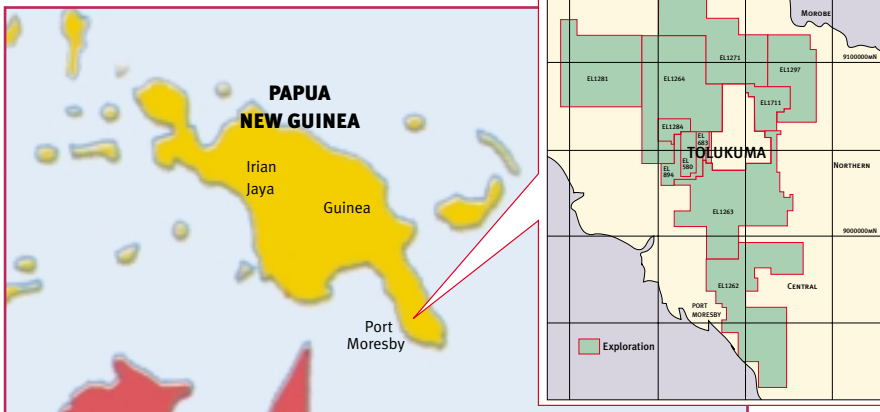
Problems at specific operations have led to costs spiralling out of control. In some cases this was ascribed to a lack of focus on the part of management, but this has now been addressed. I have found that we have been dealing with thousands of vendors. These are now down to hundreds. I have also found that relationships with a number of suppliers were 'unhealthy'. Those suppliers are no longer doing business with DRD.

We intend to re-establish control over our supply chain – every single penny of it. Alwyn Hamman has been given the responsibility for this important task and I know he will get the support from all the Financial Managers at our business units. We have also made this effort the responsibility of each and every employee. Let them forget, everybody above Shift Boss level has signed up to the company's *Code on Purchasing* and knows that any breach of this can result in instant dismissal.

Anyone who has read the 'Who moved my cheese?' business books will be all too familiar with the need to establish our claim to 'cheese'. With margins in the gold mining industry wafer thin, I would regard even cheese as a luxury. We need to have supply partners with whom we can enjoy long term relationships. An important aspect of any relationship is sharing, or as they say in the marriage vows – 'for better or worse'. So we don't mind sharing a little bit of cheese with them, but we sure as hell can't let them move our bit!

Mark Wellesley-Wood
Chairman

DRD INTERNATIONAL OPERATIONS



DRD

investor *brief*

March 2001



subvertical high grade epithermal quartz veins with typical in-ground grades of 15 – 60 g/t gold and approximately 160 g/t silver. High grade quartz mineralisation has been located adjacent to the main vein system and the potential to add to the known resource is considered to be very high.

The current resource is almost 0.6 million tons and contains a predicted mined grade of 25 g/t gold and 90 g/t silver at a gold price of US\$275/oz. As DRD holds large tracts of land under various exploration permits, tenements in the immediate vicinity of the mine are prospective for similarly styled mineralisation to that currently being mined.

DRD has shown that the conversion rate of resources to reserves is approximately 90%.

All of the present resource is located within the main vein system in four sections that have different geological characteristics. From north to south, these are Gifunis, Tolukuma, Tolimi and Gulbadi and these contain 2%, 5%, 37% and 56% of the total gold resources respectively. The distribution of the silver resource is very similar, at 1%, 7%, 37% and 55% respectively.

DRD has established a good relationship with the Papua New Guinea government, including the Mines Department and the Department of Environment and Conservation. The company has also proactively invested in community development programmes in the areas associated with the Tolukuma operations and its employees.

Resources

Tolukuma Mine Resource as at 30 June 2000

Resource class	Tons	Au g/t	Au oz	Ag g/t	Ag oz
Measured	130 000	34	140 000	130	540 000
Indicated	130 000	23	100 000	80	260 000
Inferred	310 000	22	220 000	70	700 000
Total	570 000	25	460 000	90	1 500 000

The resources stated above are based on a US\$275/oz gold price.

ROGER KEBBLE – THE OLD MAN OF DRD

Roger's first involvement in Durban Deep mine came in 1992 when he bought neighbour Rand Leases. The tributing arrangements with DRD allowed him sight of the troubles that led to the announcement of the closure of DRD in

1994. Armed with his own capital and colleague Frans Weideman, the current Operations Director of DRD, he rescued DRD from extinction.

He is a significant and often passionate shareholder in his own right and the executive deputy chairman. His entrepreneurial skills stem from 35 years of corporate mining activity and managing own businesses within the SA gold industry.



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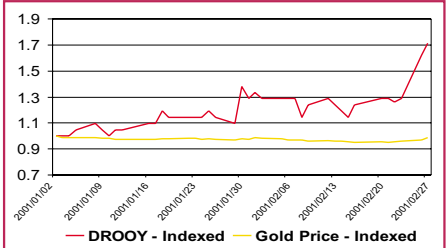
DRD RELISTS ON NASDAQ SMALLCAP MARKET

Last month we informed you that DRD was considering changing its Nasdaq listing from the National Market to the SmallCap Market. The decision follows notice from Nasdaq in December of its intention to delist the Company's securities from the Nasdaq National Market on 20 February 2001, owing to the fact that its American Depository Receipt Shares (ADRs) have been consistently trading below the required minimum bid price of US\$1.00. Subsequently, DRD decided in February to voluntarily remove its securities from the National Market and apply for listing on the SmallCap Market. This application was approved on 26 February 2001 and is effective as of the opening of business on the same day. According to DRD Financial Director, Ian Murray, the decision to relist rather than consolidate was taken after consultation with shareholders, and will have no effect on liquidity or appeal since two million shares traded shortly after the change.

Said Ian, "Previously DRD was a small fish in a big pond, which did not necessarily appeal to the institutional investor. Now we're a big fish in a smaller pond, which could well appeal to the institutional smallcap players."

Any queries relating to the relisting should be directed to Maryna Eloff at eloffm@drd.co.za

As the graph below shows, the Durban Deep share price has performed impressively when compared to the indexed gold price.



Certain statements contained in this document contain certain forward-looking statements regarding Durban Roodepoort Deep, Limited's operations, economic performance and financial condition. This includes those concerning the economic outlook of the gold mining industry, expectations regarding the price of gold and production, the completion and commencement of commercial operations of certain of Durban Roodepoort Deep's exploration and production projects, its liquidity, and capital resources and expenditure. Although Durban Roodepoort Deep, Limited is of the opinion that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct. Actual results could differ materially from those set out in the forward-looking statements. Among other factors, this could be as a result of changes in economic and market conditions, the success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in the price of gold and exchange rates, and business and operational risk management.