



**For immediate release**

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### **DRDGOLD SA OPERATIONS 'CORE', SAYS NEW DRDGOLD CEO**

**Johannesburg, South Africa; 28 February 2007;** DRDGOLD Limited (JSE: DRD; NASDAQ: DROOY) regards its 74% investment in DRDGOLD South African Operations (Pty) Limited (DRDGOLD SA) as "core", new DRDGOLD Chief Executive Officer John Sayers said today, on release of the company's results for the quarter and six months ended 31 December 2006.

Sayers' statement blunts rumours circulating recently that DRDGOLD SA's Blyvooruitzicht (Blyvoor) operation might be for sale and that its East Rand Proprietary Mines (ERPM) operation faced liquidation.

"While Blyvoor has been adversely affected by illegal industrial action in the January 2007 quarter, ERPM has received the pleasing news that its application to the Department of Minerals and Energy (DME) for a prospecting right over a second portion of the neighbouring Sallies lease area has been granted. The area, to be known as ERPM Extension 2, is 5 500 hectares in extent and has an exploration target of 7 to 11 million ounces. This presents the exciting prospect of a new deep-level mine with a life of more than 15 years," Sayers said.

"At the Crown surface operation a R10.5 million project for the reclamation of the 3L2 slimes dam has been approved, with the prospect of treating through the Crown plant some 270 000 t per month at an average yield of 0.3 g/t over a 20-month period. Crown also recently lodged with the DME its application for a mining right over the Top Star dump."

On the ongoing difficulties at DRDGOLD's 78.72%-owned ASX-listed Emperor, Sayers said the company continues to consider restructuring options – including divestment of key assets and seeking a suitable merger partner – in order to grow the value of the asset base. A new short-term finance facility, to be re-paid within an agreed timeframe from the proceeds of restructuring, has been arranged with ANZ.

Total DRDGOLD group gold production for the December quarter was 12% lower at 132 125 oz, mainly as a result of a 14% reduction in attributable gold production from Emperor's Porgera and Tolukuma operations to 35 660 oz and a 47% reduction – to 9 143 oz – from its Vatukoula operation, placed on care and maintenance in December 2006 after a three-month review showed continued mining would not be economically viable.

At the South African operations, gold production was 4% lower at 87 322 oz. While the Crown surface operation performed better following pipeline upgrades and Blyvoor held its own in spite of an underground fire at No 5 Shaft in December, underground faulting encountered at ERPM impacted negatively on both volume and grade.

Group financial results have been re-stated to account for the discontinuation of operations at Vatukoula, which incurred a loss of R145.6 million in the December quarter and an impairment of R783.1 million.

Group revenue from continuing operations was 5% lower at R548.5 million and cash operating costs declined by 4% to R466.3 million, resulting in a cash operating profit of R82.2 million, down 7% from the previous quarter.

Revenue from the South African operations was 4% lower at R390.6 million and after accounting for cash operating costs – 1% lower at R324.3 million – cash operating profit was R66.3 million, 14% down on the previous quarter.

Revenue from the continuing Australasian operations was 6% lower at R157.9 million but a 10% reduction in cash operating costs to R142.0 million resulted in a 39% increase in cash operating profit to R15.9 million.

In the quarter under review, DRDGOLD repaid its US\$66 million convertible bond.

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DRDGOLD is a medium-sized, unhedged gold producer with investments in South Africa and Australasia.

In South Africa, the company has a 74% interest in DRDGOLD South African Operations (Pty) Limited (DRDGOLD SA), while in Australasia, it has a 78.72% interest in Emperor Mines Limited.

In the 2006 financial year, DRDGOLD SA contributed 60% or 315 976 ounces – of total attributable gold production of 527 401 ounces, and Emperor 211 425 ounces. At 30 June 2006, DRDGOLD's total attributable resource base was 47.6 million ounces and its total attributable reserves were 8.8 million ounces.

**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 continuing strengthening of the rand against the dollar, regulatory developments adverse to DRDGOLD or difficulties in maintaining necessary licences 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 2005, which we filed with the United States Securities and Exchange Commission on 15 December 2005 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.*