

**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

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**FORM 6-K**

**REPORT OF A FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16  
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

**For February 2012**

**Commission File Number 0-28800**

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**DRDGOLD Limited**

Quadrum Office Park  
Building 1  
50 Constantia Boulevard  
Constantia Kloof Ext 28  
Roodepoort, South Africa, 1709

*(Address of principal executive offices)*

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Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒      Form 40-F ☐

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐      No ☒

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

**Attached to the Registrant Form 6-K filing for the month of February 2012, incorporated by reference herein:**

**Exhibit**

- 99.1 Release dated February 14, 2012, entitled “REPORT TO SHAREHOLDERS FOR THE SECOND QUARTER AND SIX MONTHS ENDED 31 DECEMBER 2011”.

## **SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DRDGOLD LIMITED

Date: February 14, 2012

By: /s/ Themba Gwebu

Name: Themba Gwebu

Title: Company Secretary

# DRD GOLD

L I M I T E D

## Report to shareholders for the second quarter and six months ended 31 December 2011

(Incorporated in the Republic of South Africa) • Registration No.1895/000926/06

JSE share code: DRD • ISIN: ZAE 000058723 • Issuer code: DUSM

NYSE trading symbol: DRD • ("DRDGOLD" or "the company")



### GROUP RESULTS

#### KEY FEATURES FOR THE QUARTER

- Gold production steady
- Cash operating unit costs down 2%
- Net profit up 99% to R165.1 million
- Headline earnings up 66% to R125.3 million
- Net cash inflow from operations up 107% to R243.9 million
- Agreement concluded for the sale of Blyvoor

Review of operations		Quarter	Quarter	% change	Quarter	6 months to	6 months to	% change	6 months to
Group		Dec 2011	Sep 2011		Dec 2010	31 Dec 2011	31 Dec 2010		30 Jun 2011
<b>Gold production</b>									
Continuing operations	oz	33 983	34 562	(2)	36 845	68 545	71 825	(5)	72 240
	kg	1 057	1 075	(2)	1 146	2 132	2 234	(5)	2 247
Discontinued operations	oz	29 676	29 000	2	32 601	58 676	62 888	(7)	58 226
	kg	923	902	2	1 014	1 825	1 956	(7)	1 811
Group	oz	63 659	63 562	–	69 446	127 221	134 713	(6)	130 466
	kg	1 980	1 977	–	2 160	3 957	4 190	(6)	4 058
<b>Gold production sold</b>									
Continuing operations	oz	33 983	36 523	(7)	36 845	70 506	73 272	(4)	70 311
	kg	1 057	1 136	(7)	1 146	2 193	2 279	(4)	2 187
Discontinued operations	oz	29 676	29 000	2	32 601	58 676	65 781	(11)	58 226
	kg	923	902	2	1 014	1 825	2 046	(11)	1 811
Group	oz	63 659	65 523	(3)	69 446	129 182	139 053	(7)	128 537
	kg	1 980	2 038	(3)	2 160	4 018	4 325	(7)	3 998
<b>Cash operating costs</b>									
Continuing operations	US\$ per oz	1 010	1 141	(11)	928	1 076	949	13	1 000
	ZAR per kg	263 569	260 189	1	206 866	261 864	217 895	20	219 835
Discontinued operations	US\$ per oz	1 245	1 502	(17)	1 145	1 372	1 179	16	1 411
	ZAR per kg	326 677	342 642	(5)	255 208	334 568	270 840	24	310 424
Group	US\$ per oz	1 118	1 305	(14)	1 030	1 211	1 056	15	1 183
	ZAR per kg	292 988	297 808	(2)	229 560	295 396	242 611	22	260 263
<b>Gold price received</b>	US\$ per oz	1 679	1 734	(3)	1 358	1 707	1 288	33	1 463
	ZAR per kg	437 316	395 568	11	303 495	416 141	295 766	41	321 694
<b>Capital expenditure</b>	US\$ million	11.5	9.9	16	11.1	21.4	19.2	11	26.1
	ZAR million	84.4	77.9	8	77.6	162.3	137.0	18	178.8

### STOCK

#### Issued capital

385 383 767 ordinary no par value shares

5 000 000 cumulative preference shares

Total ordinary no par value shares issued and committed: 411 026 529

### STOCK TRADED

JSE NASDAQ\*

NYSE\*

Average volume for the quarter

per day ('000)

% of issued stock traded (annualised)

Price • High

• Low

• Close

1 211

1 121

699

82

76

47

R5.95

\$0.727

\$0.557

R3.66

\$0.493

\$0.543

R4.60

\$0.559

\$0.543

\*\*

\* This data represents per share data and not ADS data – one ADS reflects ten ordinary shares

\*\* Share data as at 29 December 2011 – the last date of trading on the NASDAQ

## FORWARD-LOOKING STATEMENTS

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 2011, which we filed with the United States Securities and Exchange Commission on 28 October 2011 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 statement included in this report have not been reviewed and reported on by DRDGOLD's auditors.

## Dear shareholder

I am pleased to report that our operations did well to maintain gold production during the quarter under review. The "settling in" at various points in the Ergo circuit throughout the quarter – with new reclamation sites coming on stream and the ongoing integration of the remaining Crown operations into the Ergo circuit through the new Crown/Ergo pipeline – went better than anticipated. We experienced less volatility in volume flow than expected and production was stable.

It is also pleasing to report that the quarter was fatality-free, and at Ergo no accidents resulting in injury occurred.

Another highlight for us was the transfer of our United States ("US") listing from NASDAQ to the New York Stock Exchange ("NYSE"). In so doing, we look forward to leveraging the NYSE's considerable knowledge and experience of the US investing community to create a better understanding of DRDGOLD's investment proposition, resulting in more active participation in our ADR programme and thus, appreciation in its value.

## Production

### Q2 2012 v Q1 2012

Total gold production was virtually unchanged at 63 659oz, a 2% increase in production at Blyvoor offsetting a 2% decline in production at Ergo.

### Q2 2012 v Q2 2011

Total gold production was down from the 69 446oz attained in the comparable quarter of FY2011, the reasons for which are described below.

## Financial

### Q2 2012 v Q1 2012

After accounting for cash operating unit costs, 2% lower at R292 988/kg, net profit was approximately double at R165.1 million, as a consequence of an 11% increase in the average Rand gold price received to R437 316/kg. Headline earnings per share were 65% higher at 33 South African cents.

### Q2 2012 v Q2 2011

Net profit was almost 300% up from R41.7 million in the comparable quarter of FY2011, with operations taking full benefit of the considerable rise in the gold price. Headline earnings per share were up 267% from nine South African cents per share.

## Detailed operational review

### Continuing operations (Ergo)

#### Q2 2012 v Q1 2012

Gold production was 2% lower at 33 983oz, reflecting both downtime during the quarter at the Knights Plant and a slight drop in the average yield. Unscheduled maintenance and repairs to a thickener interrupted production at Knights for approximately 14 days. Throughput was stable at 5 234 000t.

Cash operating unit costs were 1% higher at R263 569/kg due to lower gold production. Cash operating profit rose by 21% to R188.7 million.

As the Crown/Ergo pipeline neared completion, capital investment declined by 21% to R45.7 million.

### Q2 2012 v Q2 2011

Gold production for the quarter under review was 33 983oz compared with 36 845oz for the comparable quarter in FY2011. This was mainly as a consequence of a drop in yield from the higher-volume slimes dams we are now targeting. Our aim is to increasingly offset lower grade with higher volumes. Throughput was 9% higher at 5 234 000t (Q2 2011: 4 793 000t).

Cash operating unit costs were higher at R263 569/kg, up from R206 866/kg in Q2 2011. This was as a consequence of the lower ounces produced and the increase in tonnage. Operating profit was 73% higher at R188.7 million (Q2 2011: R109.3 million).

The DRDGOLD Board approved the go-ahead of the Ergo fine-grind circuit.

### Discontinued operation – Blyvooruitzicht Gold Mining Company Limited ("Blyvoor")

#### Q2 2012 v Q1 2012

Total gold production was 2% higher at 29 676oz due to a 7% increase in gold production from underground to 23 117oz.

Higher underground gold production resulted from an improvement of 4% in underground throughput to 191 000t and maintenance of the underground yield at 3.76g/t.

Gold production from surface sources was lower at 6 559oz, reflecting a 17% decline in the average surface yield to 0.25g/t. Surface throughput was 2% higher at 801 000t. The lower average surface yield resulted both from diminishing recovery of higher-grade material from clean-up operations and from the lower yields of the No 4 and 5 Dams, both of which are nearing depletion.

Total cash operating unit costs were 5% lower at R326 677/kg. Surface cash operating unit costs increased by 18% to R156 113/kg. Underground cash operating unit costs were 10% lower at R375 071/kg, reflecting the increase in underground gold production. Cash operating profit was 114% higher at R98.6 million, a consequence of both improved total production and the higher average Rand gold price received.

Capital expenditure doubled to R33.2 million. This signals a return to normal capex levels following the lifting of the business rescue process, during which time capital expenditure was curtailed. Most capex during the quarter was directed towards opening up and development.

### Q2 2012 v Q2 2011

Total gold production in the quarter under review was 9% lower than the 32 601oz attained in the comparable quarter of FY2011. The primary contributors to this are declines in both the average underground yield and the average surface yield, the former by 9%, from 3.76g/t, and the latter by 24% from 0.25g/t.

Total cash operating unit costs rose by 28% to R326 677/kg. Underground cash operating costs increased by 25% to R375 071/kg and surface cash operating costs by 35% to R115 532/kg.

Cash operating profit rose by 133% from R42.2 million to R98.6 million.

Capital investment increased by 54%, from R21.6 million to R33.2 million.

## Curtailment of production from Blyvoor's low-grade 4 and 6 Shafts

Blyvoor's number 5 shaft responded well to measures decided during the business rescue process. However, number 4 and 6 shafts – used mainly for underground water pumping – did not, and were unable to reverse the progressive worsening of recovery grades recorded from approximately April 2011. Both are still significantly below cut-off recovery grade.

Therefore, DRDGOLD announced last week that the Blyvoor Board of Directors had resolved to discontinue mining operations at the two shafts. Blyvoor has given notice in terms of Section 189 (3) of the Labour Relations Act to organised labour to enter a 60-day consultation process regarding this.

## Disposal of shares and claims in Blyvoor to Village

Yesterday DRDGOLD announced that it has entered into a sale of shares and claims agreement with Village Main Reef Limited ("Village") in respect of DRDGOLD's 74% interest in Blyvoor.

This follows an announcement on 8 November 2011, advising that DRDGOLD had received and accepted a non-binding expression of interest ("EOI") from Village in terms of which Village had expressed an interest in acquiring DRDGOLD's entire interest in Blyvoor.

In terms of the agreement announced yesterday, DRDGOLD has agreed to sell to Village its entire shareholding in Blyvoor and its working capital and shareholder loan claims against Blyvoor.

The purchase consideration will be settled by Village through the issue of 85 714 286 new ordinary shares in Village. The current value of the consideration shares, calculated with reference to the 30 day volume weighted average price ("VWAP") per Village share up until and including Friday, 10 February 2012, is approximately R192 million.

The sale is conditional on:

- the conclusion of the sale to Blyvoor by AngloGold Ashanti Limited ("AGA") of a portion of AGA's Savuka Mine, to the satisfaction of Village, by 30 May 2012;
- its approval – or conditional approval on terms acceptable to DRDGOLD and Village – by the South African Competition Authorities;
- conversion by the Department of Mineral Resources ("DMR") of Blyvoor's old order mining right to a new order mining right by the second anniversary of the signing the sale of shares and claims agreement; and
- approval on terms acceptable to DRDGOLD and Village – by the DMR

of the transfer of DRDGOLD's interest in Blyvoor to Village in terms of Section 11 of the Mineral and Petroleum Resources Development Act ("MPRDA").

## Zimbabwe

During the quarter, the focus remained on drilling at the KT Target at Gweru and interpreting additional geochem reports in respect of the Leny, Ascot and John Bull prospects at Norton. Follow-up geochem surveys on a smaller grid, together with trenching, will now follow.

## Looking ahead

**Crown/Ergo Integration** – Over the next few months, we intend to fully bed down the Crown/Ergo integration, and get to work on optimising the output of these circuits. We expect that we can now leverage the considerable competitive advantage offered by our extensive resource, plant infrastructure and strategic surface holdings in order to grow our 11 million-ounce surface resource even further and thus extend the life of Ergo.

**Fine-Grind Circuit** – The DRDGOLD Board of Directors has given the go-ahead for the incorporation of a flotation and fine-grind circuit into Ergo's Brakpan plant. Simply stated, flotation will separate from the total feed to the Brakpan plant the higher fraction pyrite particles in which more than 40% of the gold which does not respond to our metallurgical process is embedded. This material, a concentrate of roughly 4% of total run of mine, is then fine-ground to liberate between 16-20% more gold. The total cost of refurbishing the existing Ergo flotation plant and constructing the fine-grind section is an estimated R250 million. The business case for this improvement is compelling.

**East Rand Exploration** – We expect a Competent Person's Report on the ERPM extension 1 and 2 prospect to be completed by the end of February 2011. The board has now also resolved to develop this resource further through additional drilling to take it to the South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC) – and Joint Ore Reserves Committee (JORC) – compliant level of confidence. In order to create more market awareness of the potential of the resource, we will decide the appropriate commercial model for it, with the possibility of creating a separate investment opportunity for investors.

**Niël Pretorius** – Chief Executive Officer  
14 February 2012

The condensed consolidated financial statements are prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards ("IFRS") and presented in accordance with the minimum content, including disclosures, prescribed by IAS 34 Interim Financial Reporting applied to interim reporting, and South African Statements and Interpretations of Statements of Generally Accepted Accounting Practice (AC 500 Series). The accounting policies adopted are in line with IFRS and are consistent with those applied in the annual financial statements for the year ended 30 June 2011.

CONDENSED CONSOLIDATED	Quarter	Quarter	Quarter	6 months to	6 months to	6 months to
Statement of comprehensive income	Dec 2011	Sep 2011	Dec 2010	31 Dec 2011	31 Dec 2010	30 Jun 2011
Notes	Rm Unaudited	Rm Unaudited	Rm Unaudited	Rm Unaudited	Rm Unaudited	Rm Unaudited
<b>Continuing operations</b>						
Gold and silver revenue	462.8	449.6	348.2	912.4	674.8	704.6
Net operating costs	(274.1)	(293.1)	(238.8)	(567.2)	(499.5)	(473.0)
Cash operating costs	(278.6)	(279.7)	(237.0)	(558.3)	(486.7)	(494.0)
Movement in gold in process	4.5	(13.4)	(1.8)	(8.9)	(12.8)	21.0
<b>Operating profit</b>	188.7	156.5	109.4	345.2	175.3	231.6
Depreciation	(30.6)	(27.2)	(27.0)	(57.8)	(46.5)	(50.0)
Movement in provision for environmental rehabilitation	(6.0)	(7.1)	(4.5)	(13.1)	(9.0)	(37.9)
Retrenchment costs	–	–	–	–	(0.4)	(0.4)
<b>Net operating profit</b>	152.1	122.2	77.9	274.3	119.4	143.3



<b>CONDENSED CONSOLIDATED</b>		Quarter	Quarter	Quarter	6 months to	6 months to	6 months to
<b>Statement of comprehensive income</b>		Dec 2011	Sep 2011	Dec 2010	31 Dec 2011	31 Dec 2010	30 Jun 2011
	Notes	Rm Unaudited	Rm Unaudited	Rm Unaudited	Rm Unaudited	Rm Unaudited	Rm Unaudited
Reversal of impairments		–	–	–	–	–	30.9
Environmental rehabilitation costs		(9.3)	(14.5)	0.3	(23.8)	0.6	0.9
Corporate, administration and other expenses		(31.1)	(21.5)	(24.9)	(52.6)	(50.7)	(81.3)
Share-based payments		(1.3)	(0.4)	(1.2)	(1.7)	(1.8)	(1.7)
Net (loss)/profit on financial liabilities measured at amortised cost		(6.8)	(0.3)	(1.0)	(7.1)	(12.7)	2.5
(Loss)/profit on disposal of assets		–	–	(2.7)	–	1.7	1.6
Finance income		5.4	5.4	7.8	10.8	12.5	10.7
Finance expenses		(1.5)	(4.5)	(6.4)	(6.0)	(9.6)	(2.9)
<b>Profit before taxation</b>		<b>107.5</b>	<b>86.4</b>	<b>49.8</b>	<b>193.9</b>	<b>59.4</b>	<b>104.0</b>
Income tax		(8.6)	(5.8)	(2.1)	(14.4)	(5.7)	(0.6)
Deferred tax		(25.8)	(34.6)	(25.6)	(60.4)	(31.7)	8.3
<b>Profit after taxation</b>		<b>73.1</b>	<b>46.0</b>	<b>22.1</b>	<b>119.1</b>	<b>22.0</b>	<b>111.7</b>
<b>Discontinued operations</b>							
Profit for the period from discontinued operations	1	92.0	37.1	19.6	129.1	11.4	18.1
Impairments from discontinued operations		–	–	–	–	–	(578.6)
<b>Net profit/(loss) for the period</b>		<b>165.1</b>	<b>83.1</b>	<b>41.7</b>	<b>248.2</b>	<b>33.4</b>	<b>(448.8)</b>
Attributable to:							
Equity owners of the parent		125.3	75.4	31.6	200.7	31.9	(319.8)
Non-controlling interest		39.8	7.7	10.1	47.5	1.5	(129.0)
		165.1	83.1	41.7	248.2	33.4	(448.8)
<b>Other comprehensive income</b>							
Foreign exchange translation		(0.6)	(2.6)	–	(3.2)	–	0.8
Mark-to-market of available-for-sale investments		–	–	–	–	–	0.3
<b>Total comprehensive income/(loss) for the period</b>		<b>164.5</b>	<b>80.5</b>	<b>41.7</b>	<b>245.0</b>	<b>33.4</b>	<b>(447.7)</b>
Attributable to:							
Equity owners of the parent		124.7	72.8	31.6	197.5	31.9	(318.8)
Non-controlling interest		39.8	7.7	10.1	47.5	1.5	(128.9)
		164.5	80.5	41.7	245.0	33.4	(447.7)
<b>Reconciliation of headline earnings</b>							
Net profit/(loss)		125.3	75.4	31.6	200.7	31.9	(319.8)
Adjusted for:							
– Impairments		–	–	–	–	–	547.7
– Loss/(profit) on disposal of assets		–	–	2.7	–	(1.7)	(1.6)
– Non-controlling interest in headline earnings adjustment		–	–	(0.7)	–	0.4	(149.2)
Headline earnings		125.3	75.4	33.6	200.7	30.6	77.1
Headline earnings per share-cents							
– From continuing operations		15	12	5	27	6	17
– From total operations		33	20	9	52	8	20
Basic earnings/(loss) per share-cents							
– From continuing operations		15	12	4	27	6	25
– From total operations		33	20	8	52	8	(83)
Diluted headline earnings per share-cents		33	20	9	52	8	20
Diluted basic earnings/(loss) per share-cents		33	20	8	52	8	(83)
<i>Calculated on the weighted average ordinary shares issued of:</i>		<b>385 173 763</b>	<b>384 884 379</b>	<b>384 884 379</b>	<b>385 029 071</b>	<b>384 884 379</b>	<b>384 884 379</b>

CONDENSED CONSOLIDATED		As at	As at	As at	As at
Statement of financial position		31 Dec 2011	30 Sep 2011	31 Dec 2010	30 Jun 2011
	Notes	Rm Unaudited	Rm Unaudited	Rm Unaudited	Rm Reviewed
<b>Assets</b>					
Non-current assets		1 731.4	1 817.4	2 212.9	1 778.6
Property, plant and equipment		1 570.4	1 599.0	1 939.0	1 550.1
Non-current investments and other assets		10.8	25.1	24.8	25.1
Environmental rehabilitation trust funds		103.4	136.0	131.1	134.2
Deferred tax asset		46.8	57.3	118.0	69.2
Current assets		716.8	599.8	446.4	510.0
Inventories		89.7	115.1	101.2	122.9
Trade and other receivables		92.0	190.8	96.5	128.0
Cash and cash equivalents		320.9	293.9	233.7	259.1
Assets classified as held-for-sale	1	214.2	–	15.0	–
<b>Total assets</b>		<b>2 448.2</b>	<b>2 417.2</b>	<b>2 659.3</b>	<b>2 288.6</b>
<b>Equity and liabilities</b>					
Equity		1 439.0	1 271.2	1 665.5	1 219.2
Equity of the owners of the parent		1 419.6	1 291.6	1 564.7	1 247.3
Non-controlling interest		19.4	(20.4)	100.8	(28.1)
Non-current liabilities		622.5	689.5	705.5	659.4
Loans and borrowings	2	–	40.0	71.9	40.4
Post-retirement and other employee benefits		5.8	6.4	13.8	6.3
Provision for environmental rehabilitation		456.2	497.8	438.4	490.2
Deferred tax liability		160.5	145.3	181.4	122.5
Current liabilities		386.7	456.5	288.3	410.0
Trade and other payables		209.1	375.8	209.8	330.7
Loans and borrowings	2	30.5	80.7	78.5	79.3
Liabilities classified as held-for-sale	1	147.1	–	–	–
<b>Total equity and liabilities</b>		<b>2 448.2</b>	<b>2 417.2</b>	<b>2 659.3</b>	<b>2 288.6</b>

CONDENSED CONSOLIDATED		Quarter	Quarter	Quarter	6 months to	6 months to	6 months to
Statement of changes in equity		Dec 2011	Sep 2011	Dec 2010	31 Dec 2011	31 Dec 2010	30 Jun 2011
		Rm Unaudited	Rm Unaudited	Rm Unaudited	Rm Unaudited	Rm Unaudited	Rm Unaudited
Balance at the beginning of the period		1 271.2	1 219.2	1 622.6	1 219.2	1 649.9	1 665.5
Share capital issued		1.8	–	–	1.8	(0.4)	(0.3)
– for share options exercised		1.8	–	–	1.8	–	–
– for costs		–	–	–	–	(0.4)	(0.3)
Increase in share-based payment reserve		1.5	0.4	1.2	1.9	1.8	1.7
Net profit/(loss) attributable to equity owners of the parent		125.3	75.4	31.6	200.7	31.9	(319.8)
Net profit/(loss) attributable to non-controlling interest		39.8	7.7	10.1	47.5	1.5	(129.0)
Dividends paid on ordinary share capital		–	(28.9)	–	(28.9)	(19.2)	–
Other comprehensive income		(0.6)	(2.6)	–	(3.2)	–	1.1
<b>Balance as at the end of the period</b>		<b>1 439.0</b>	<b>1 271.2</b>	<b>1 665.5</b>	<b>1 439.0</b>	<b>1 665.5</b>	<b>1 219.2</b>



CONDENSED CONSOLIDATED	Quarter	Quarter	Quarter	6 months to	6 months to	6 months to
Statement of cash flows	Dec 2011	Sep 2011	Dec 2010	31 Dec 2011	31 Dec 2010	30 Jun 2011
	Rm	Rm	Rm	Rm	Rm	Rm
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Net cash inflow from operations	243.9	117.9	78.6	361.8	100.5	223.4
Net cash outflow from investing activities	(89.2)	(83.1)	(80.3)	(172.3)	(135.3)	(199.8)
Net cash (out)/inflow from financing activities	(119.4)	–	88.8	(119.4)	80.3	1.0
Loans and other	(73.3)	–	108.0	(73.3)	131.2	1.0
Dividends paid to owners of the parent	(28.9)	–	(19.2)	(28.9)	(19.2)	–
Dividends paid to non-controlling interest holders	(17.2)	–	–	(17.2)	(31.7)	–
Increase in cash and cash equivalents	35.3	34.8	87.1	70.1	45.5	24.6
Translation adjustment	–	–	–	–	–	0.8
Opening cash and cash equivalents	293.9	259.1	146.6	259.1	188.2	233.7
<b>Closing cash and cash equivalents</b>	<b>329.2</b>	<b>293.9</b>	<b>233.7</b>	<b>329.2</b>	<b>233.7</b>	<b>259.1</b>
Cash classified as assets held for sale included in the closing balance	8.3	–	–	8.3	–	–
<b>Reconciliation of net cash inflow from operations</b>						
Profit before taxation	107.5	86.4	49.8	193.9	59.4	104.0
Profit/(loss) from discontinued operations	92.0	37.1	28.3	129.1	15.7	(562.3)
	199.5	123.5	78.1	323.0	75.1	(458.3)
Adjusted for:						
Movement in gold in process	(1.5)	14.9	8.3	13.4	41.8	(26.2)
Depreciation and impairment	31.7	27.8	35.7	59.5	63.3	615.3
Movement in provision for environmental rehabilitation	4.6	7.3	4.7	11.9	9.5	43.1
Share-based payments	1.5	0.4	1.2	1.9	1.8	1.7
Loss/(profit) on financial liabilities measured at amortised cost	6.8	0.3	1.9	7.1	14.5	(31.6)
(Profit)/loss on disposal of assets	–	–	2.7	–	(1.7)	(1.6)
Finance expense and unwinding of provisions	2.9	2.7	3.0	5.6	6.0	3.4
Growth in Environmental Trust Funds	(1.9)	(1.7)	(1.9)	(3.6)	(3.9)	(4.5)
Other non-cash items	(1.2)	(1.7)	0.3	(2.9)	(1.1)	(13.2)
Taxation paid	(8.5)	–	(5.8)	(8.5)	(5.8)	(0.4)
Working capital changes	10.0	(55.6)	(49.6)	(45.6)	(99.0)	95.7
<b>Net cash inflow from operations</b>	<b>243.9</b>	<b>117.9</b>	<b>78.6</b>	<b>361.8</b>	<b>100.5</b>	<b>223.4</b>

## Notes to the financial statements

### 1. Discontinued operations and assets classified as held for sale

On 8 November 2011, DRDGOLD announced the acceptance of an EOI from Village for the acquisition of DRDGOLD's entire interest in and claims against Blyvoor for R1 and 85 714 286 new ordinary shares of Village which closed on R2.16 per share on Friday 10 February 2012.

	Quarter	Quarter	Quarter	6 months to	6 months to	6 months to
Results of discontinued operation	Dec 2011	Sep 2011	Dec 2010	31 Dec 2011	31 Dec 2010	30 Jun 2011
	Rm	Rm	Rm	Rm	Rm	Rm
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Gold and silver revenue	403.1	356.6	307.4	759.7	604.4	581.5
Net operating costs	(304.5)	(310.6)	(265.3)	(615.1)	(558.8)	(557.0)
<b>Operating profit</b>	<b>98.6</b>	<b>46.0</b>	<b>42.1</b>	<b>144.6</b>	<b>45.6</b>	<b>24.5</b>
Depreciation	(1.1)	(0.6)	(8.7)	(1.7)	(16.8)	(17.6)
Movement in provision for environmental rehabilitation	1.4	(0.2)	(0.2)	1.2	(0.5)	(5.2)
<b>Net operating profit</b>	<b>98.9</b>	<b>45.2</b>	<b>33.2</b>	<b>144.1</b>	<b>28.3</b>	<b>1.7</b>
Impairments	–	–	–	–	–	(578.6)
Other costs	(6.9)	(8.1)	(4.9)	(15.0)	(12.6)	14.6
<b>Profit/(loss) before taxation</b>	<b>92.0</b>	<b>37.1</b>	<b>28.3</b>	<b>129.1</b>	<b>15.7</b>	<b>(562.3)</b>
Taxation	–	–	(8.7)	–	(4.3)	1.8
<b>Profit/(loss) after taxation</b>	<b>92.0</b>	<b>37.1</b>	<b>19.6</b>	<b>129.1</b>	<b>11.4</b>	<b>(560.5)</b>
<b>Cash flow from/(used in) discontinued operations</b>						
Net cash generated by operating activities	93.7	20.9	38.9	114.6	46.5	17.7
Net cash used in investing activities	(33.2)	(16.6)	(21.6)	(49.8)	(40.7)	(53.6)
Net cash from financing activities	–	–	–	–	–	–
<b>Net cash from/(used) for the period</b>	<b>60.5</b>	<b>4.3</b>	<b>17.3</b>	<b>64.8</b>	<b>5.8</b>	<b>(35.9)</b>

## 2. Loans and borrowings

Included in loans and borrowings is a R500 million Domestic Medium Term Note Programme ("DMTN Programme") under which DRDGOLD may from time to time issue notes. R108 million was issued on 1 October 2010, consisting of R78 million and R30 million respectively, under the DMTN Programme and the different notes issued mature 12 and 24 months from the date of issue and bear interest at the three month Johannesburg Inter-bank Acceptance Rate plus a margin ranging from 4% to 5% per annum. The DMTN Programme is unsecured. During the quarter under review DRDGOLD repaid the amount of R78 million.

KEY OPERATING AND FINANCIAL RESULTS (Unaudited)			Metric			Imperial		
Metric			Continuing operations	Discontinued operations*	Total operations	Continuing operations	Discontinued operations*	Total operations
Ore milled (t'000)	Underground	Dec 2011 Qtr	–	191	191	–	210	210
		Sep 2011 Qtr	–	184	184	–	203	203
		Dec 2011 Ytd	–	375	375	–	413	413
	Surface	Dec 2011 Qtr	5 234	801	6 035	5 769	883	6 652
		Sep 2011 Qtr	5 231	783	6 014	5 764	863	6 629
		Dec 2011 Ytd	10 465	1 584	12 049	11 533	1 746	13 281
	Total	Dec 2011 Qtr	5 234	992	6 226	5 769	1 093	6 862
		Sep 2011 Qtr	5 231	967	6 198	5 764	1 066	6 832
		Dec 2011 Ytd	10 465	1 959	12 424	11 533	2 159	13 694
Yield (g/t) (oz/t)	Underground	Dec 2011 Qtr	–	3.76	3.76	–	0.110	0.110
		Sep 2011 Qtr	–	3.64	3.64	–	0.106	0.106
		Dec 2011 Ytd	–	3.70	3.70	–	0.108	0.108
	Surface	Dec 2011 Qtr	0.20	0.25	0.21	0.006	0.007	0.006
		Sep 2011 Qtr	0.21	0.30	0.22	0.006	0.009	0.006
		Dec 2011 Ytd	0.20	0.28	0.21	0.006	0.008	0.006
	Total	Dec 2011 Qtr	0.20	0.93	0.32	0.006	0.027	0.009
		Sep 2011 Qtr	0.21	0.93	0.32	0.006	0.027	0.009
		Dec 2011 Ytd	0.20	0.93	0.32	0.006	0.027	0.009
Gold produced (kg)/(oz)	Underground	Dec 2011 Qtr	–	719	719	–	23 117	23 117
		Sep 2011 Qtr	–	669	669	–	21 509	21 509
		Dec 2011 Ytd	–	1 388	1 388	–	44 626	44 626
	Surface	Dec 2011 Qtr	1 057	204	1 261	33 983	6 559	40 542
		Sep 2011 Qtr	1 075	233	1 308	34 562	7 491	42 053
		Dec 2011 Ytd	2 132	437	2 569	68 545	14 050	82 595
	Total	Dec 2011 Qtr	1 057	923	1 980	33 983	29 676	63 659
		Sep 2011 Qtr	1 075	902	1 977	34 562	29 000	63 562
		Dec 2011 Ytd	2 132	1 825	3 957	68 545	58 676	127 221
Cash operating costs (ZAR/kg) (US\$/oz)	Underground	Dec 2011 Qtr	–	375 071	375 071	–	1 429	1 429
		Sep 2011 Qtr	–	415 913	415 913	–	1 823	1 823
		Dec 2011 Ytd	–	394 756	394 756	–	1 619	1 619
	Surface	Dec 2011 Qtr	263 569	156 113	246 186	1 010	597	940
		Sep 2011 Qtr	260 189	132 262	237 401	1 141	580	1 041
		Dec 2011 Ytd	261 864	143 396	241 713	1 076	588	991
	Total	Dec 2011 Qtr	263 569	326 677	292 988	1 010	1 245	1 118
		Sep 2011 Qtr	260 189	342 642	297 808	1 141	1 502	1 305
		Dec 2011 Ytd	261 864	334 568	295 396	1 076	1 372	1 211
Cash operating costs (ZAR/t) (US\$/t)	Underground	Dec 2011 Qtr	–	1 412	1 412	–	157	157
		Sep 2011 Qtr	–	1 512	1 512	–	193	193
		Dec 2011 Ytd	–	1 461	1 461	–	175	175
	Surface	Dec 2011 Qtr	53	40	51	6	4	6
		Sep 2011 Qtr	53	39	52	7	5	7
		Dec 2011 Ytd	53	40	52	6	5	6
	Total	Dec 2011 Qtr	53	304	93	6	34	10
		Sep 2011 Qtr	53	320	95	7	41	12
		Dec 2011 Ytd	53	312	94	6	37	11
Gold and silver revenue (ZAR million) (US\$ million)		Dec 2011 Qtr	462.8	403.1	865.9	57.1	49.9	107.2
		Sep 2011 Qtr	449.6	356.6	806.2	63.3	50.2	113.4
		Dec 2011 Ytd	912.4	759.7	1 672.1	120.4	100.1	220.6
Operating profit (ZAR million) (US\$ million)		Dec 2011 Qtr	188.7	98.6	287.3	23.4	12.6	36.0
		Sep 2011 Qtr	156.5	46.0	202.5	22.0	6.5	28.5
		Dec 2011 Ytd	345.2	144.6	489.8	45.4	19.1	64.5
Capital expenditure (ZAR million) (US\$ million)		Dec 2011 Qtr	51.2	33.2	84.4	7.3	4.2	11.5
		Sep 2011 Qtr	61.3	16.6	77.9	7.6	2.3	9.9
		Dec 2011 Ytd	112.5	49.8	162.3	14.9	6.5	21.4

\* Discontinued operations represent Blyvoor.

## CASH OPERATING COSTS RECONCILIATION

R000 unless otherwise stated		Continuing operations	Discontinued operations*	Total operations
Total cash costs	<b>Dec 2011 Qtr</b>	<b>305 009</b>	<b>311 802</b>	<b>629 403</b>
	Sep 2011 Qtr	369 301	318 244	650 536
	Dec 2011 Ytd	674 310	630 046	1279 939
Movement in gold in process	<b>Dec 2011 Qtr</b>	<b>4 577</b>	<b>(3 041)</b>	<b>1 536</b>
	Sep 2011 Qtr	(13 427)	(1 489)	(14 916)
	Dec 2011 Ytd	(8 850)	(4 530)	(13 380)
Less: Assessment rates, rehabilitation and other	<b>Dec 2011 Qtr</b>	<b>21 966</b>	<b>2 533</b>	<b>26 361</b>
	Sep 2011 Qtr	67 129	3 023	31 013
	Dec 2011 Ytd	89 095	5 556	57 374
Less: Corporate and general administration costs	<b>Dec 2011 Qtr</b>	<b>9 028</b>	<b>4 705</b>	<b>24 462</b>
	Sep 2011 Qtr	9 042	4 669	15 840
	Dec 2011 Ytd	18 070	9 374	40 302
Cash operating costs	<b>Dec 2011 Qtr</b>	<b>278 592</b>	<b>301 523</b>	<b>580 116</b>
	Sep 2011 Qtr	279 703	309 063	588 767
	Dec 2011 Ytd	558 295	610 586	1168 883
Gold produced (kg)	<b>Dec 2011 Qtr</b>	<b>1 057</b>	<b>923</b>	<b>1 980</b>
	Sep 2011 Qtr	1 075	902	1 977
	Dec 2011 Ytd	2 132	1 825	3 957
Total cash operating costs (R/kg)	<b>Dec 2011 Qtr</b>	<b>263 569</b>	<b>326 677</b>	<b>292 988</b>
	Sep 2011 Qtr	260 189	342 642	297 808
	Dec 2011 Ytd	261 864	334 568	295 396
Total cash operating costs (US\$/oz)	<b>Dec 2011 Qtr</b>	<b>1 010</b>	<b>1 245</b>	<b>1 118</b>
	Sep 2011 Qtr	1 141	1 502	1 305
	Dec 2011 Ytd	1 076	1 372	1 211

\* Discontinued operations represent Blyvoor.



### DIRECTORS (\*British)(\*\*American)

**Executives:** DJ Pretorius (*Chief Executive Officer*),

CC Barnes (*Chief Financial Officer*)

**Independent non-executives:** GC Campbell\* (*Non-Executive Chairman*),

RP Hume, EA Jeneker, J Turk\*\* • **Company Secretary:** TJ Gwebu

### FOR FURTHER INFORMATION, CONTACT NIËL PRETORIUS AT:

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