



RESERVES AND RESOURCES

In FY06, DRDGOLD's attributable Mineral Resource and Reserves increased by 30% to 47.645 Moz and by 35% to 8.833 Moz respectively.

SOUTH AFRICA

Following the creation of DRDGOLD SA and the reorganisation of its interests in South Africa, DRDGOLD now holds an 85% interest in Blyvoor, Crown and ERPM through DRDGOLD SA and Khumo Gold holds the other 15%. This means that DRDGOLD's interests in Crown and ERPM increased from 40% to 85%, and decreased from 100% to 85% at Blyvoor.

DRDGOLD's attributable Mineral Resource from its South African operations increased by 29% to 40.637 Moz in 2006 of which 8,385 Moz resulted from the granting of a prospecting right at ERPM.

Due to the higher gold price, DRDGOLD's attributable Ore Reserve from its South African operations increased by 43% to 6.682 Moz in FY06.

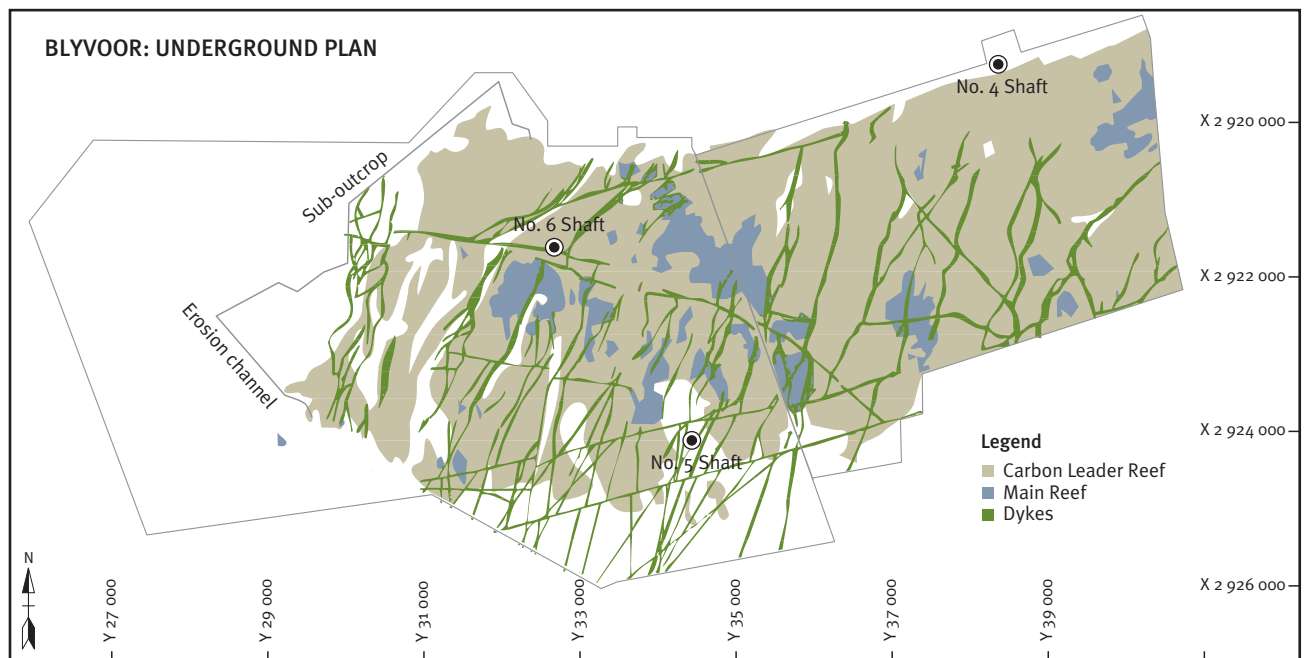
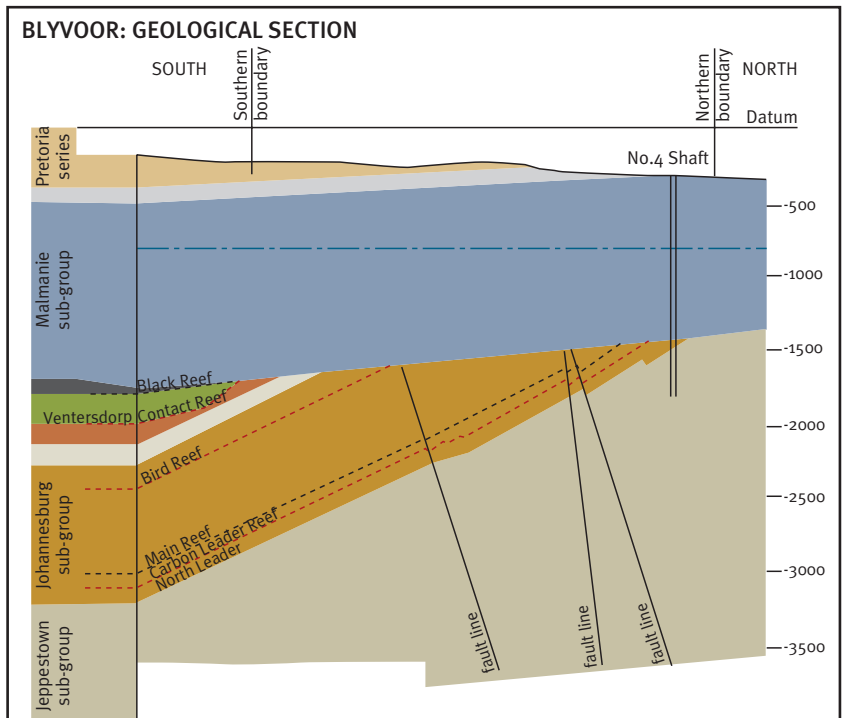
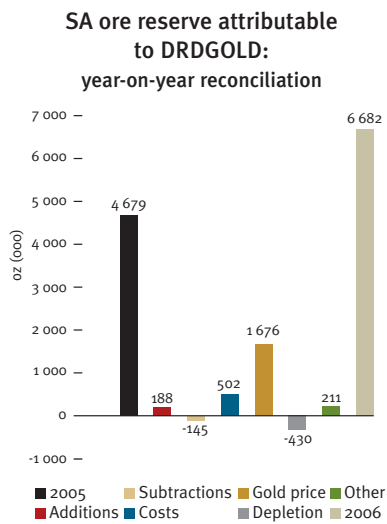
Refer to pages 39 to 41 for the Mineral Resource and Ore Reserve statements.

BLYVOOR

DRDGOLD's attributable Mineral Resource from Blyvoor decreased to 23.049 Moz, due to Khumo Gold acquiring 15% of this operation.



The attributable Ore Reserve from Blyvoor increased from 3.998 Moz to 5.255 Moz, emphasising the sensitivity of the operation to the gold price.



RESERVES AND RESOURCES

ERPM

At ERPM there was a significant increase in the Mineral Resource as a result of obtaining a prospecting right permit, covering part of the lease area of the neighbouring Sallies Mine. This is referred to as the ERPM Extension 1. DRDGOLD's attributable Mineral Resource from ERPM increased from 2.669 Moz in 2005 to 14.091 Moz in 2006, of which 8.385 Moz relates to the ERPM Extension 1.

DRDGOLD's attributable Ore Reserve from ERPM increased from 0.342 Moz in 2005 to 1.003 Moz in 2006. This increase resulted from DRDGOLD's increased ownership of ERPM, as well as the escalation in the gold price.

CROWN

DRDGOLD's attributable Mineral Resource from Crown increased from 1.671 Moz in 2005 to 3.497 Moz in 2006, solely as a result of 45% additional ownership.

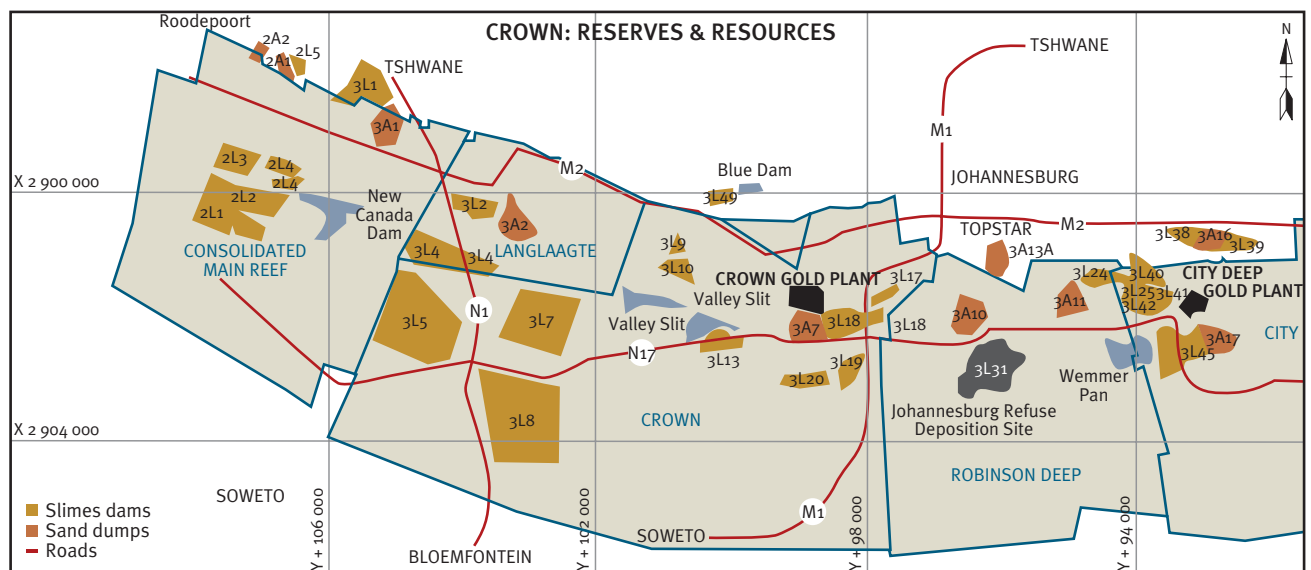
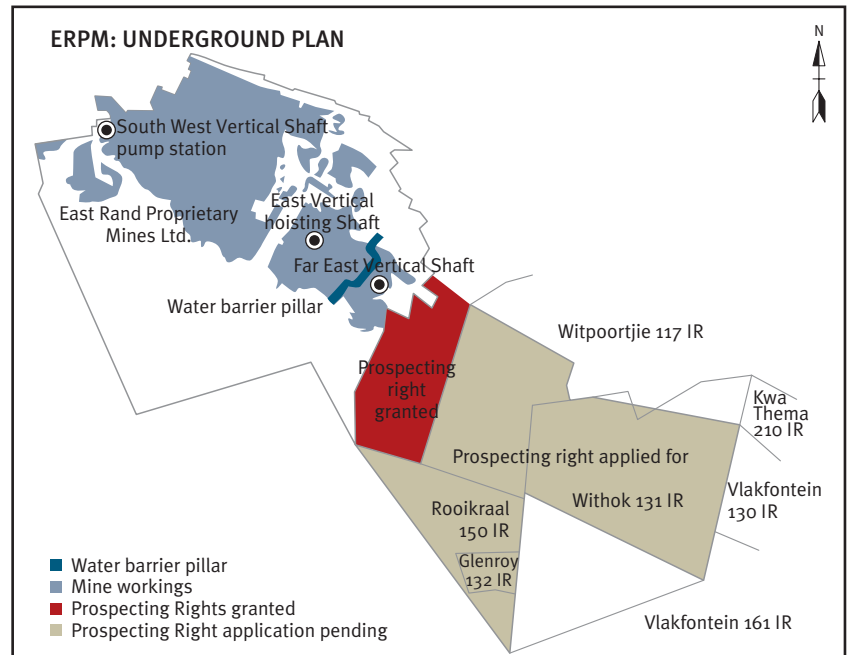
Rosherville and Valley silts were excluded from the ore reserves in preference to the acquisition and mining of the Top Star dump in the

2007 financial year. However, DRDGOLD's attributable Ore Reserve from Crown increased from 0.339 Moz in 2005 to 0.424 Moz in 2006, due to DRDGOLD's 85% shareholding.

AUSTRALASIA

In April 2006, DRDGOLD acquired an additional 49% interest in Emperor

Mines, increasing its shareholding to 88%. The transaction was facilitated by the disposal of DRDGOLD's Australasian assets to Emperor Mines. At 30 June 2006, DRDGOLD's shareholding in Emperor Mines had been diluted to 78.9%, because of Emperor Mines' capital raising from its minority shareholders.





DRDGOLD's attributable Mineral Resource from its Australasian operations increased by 40%, from 5.008 Moz in 2005 to 7.008 Moz in 2006. This increase was primarily as a result of DRDGOLD's additional 40% interest acquired in Emperor Mines, which was partially offset by DRDGOLD's reduced attributable shareholding in Tolukuma and Porgera.

DRDGOLD's attributable Ore Reserve from its Australasian operations increased by 15%, from 1.874 Moz in 2005 to 2.151 Moz in 2006. The year-on-year increase resulted from DRDGOLD's additional interest in Emperor Mines and the higher gold price, partially offset by DRDGOLD's reduced shareholding in Tolukuma and Porgera.

TOLUKUMA

The total Mineral Resource at Tolukuma increased from 0.546 Moz in 2005 to 0.567 Moz in 2006. DRDGOLD's

attributable Mineral Resource from Tolukuma decreased from 0.546 Moz in 2005 to 0.446 Moz in 2006, primarily as a result of DRDGOLD's reduced shareholding in Tolukuma.

Tolukuma's total Ore Reserve increased from 0.218 Moz in 2005 to 0.247 Moz in 2006, mostly as a result of the higher gold price. DRDGOLD's attributable Ore Reserve from Tolukuma decreased from 0.218 Moz in 2005 to 0.195 Moz in 2006, because of DRDGOLD's lower shareholding.

PORGERA

DRDGOLD's attributable Mineral Resource from Porgera decreased from 2.301 Moz in 2005 to 2.118 Moz in 2006, mainly as a result of DRDGOLD's reduced shareholding in Porgera.

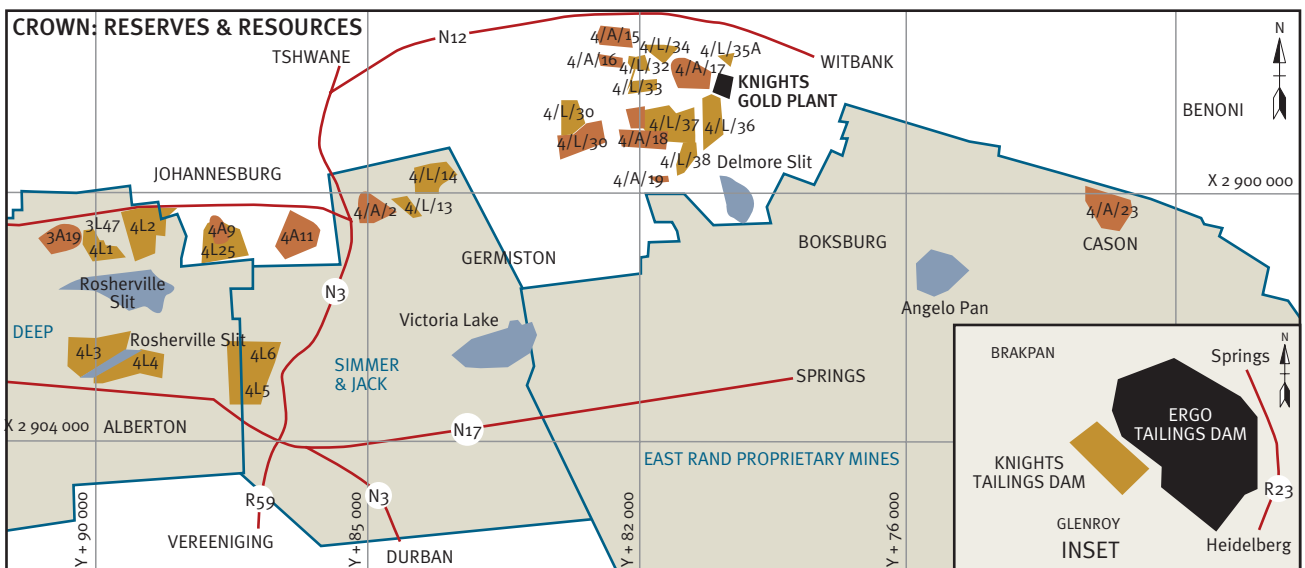
DRDGOLD's attributable Ore Reserve from Porgera decreased from 1.351 Moz in 2005 to 1.278 Moz in 2006. This decrease was primarily as a result

of DRDGOLD's diluted ownership of Porgera.

VATUKOULA/TUVATU

DRDGOLD's attributable Mineral Resource from Vatukoula and Tuvatu increased from 2.161 Moz in 2005 to 4.444 Moz in 2006, mainly as a result of DRDGOLD's increase in ownership from 45% in 2005 to 79% in 2006.

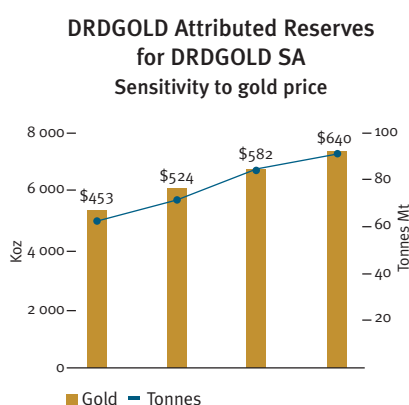
Vatukoula's total Ore Reserve increased from 0.674 Moz in 2005 to 0.86 Moz in 2006, primarily as a result of the higher gold price. DRDGOLD's attributable Ore Reserve from Vatukoula increased from 0.305 Moz in 2005 to 0.678 Moz in 2006, due to DRDGOLD's increase in shareholding in 2006 and the higher gold price.



RESERVES AND RESOURCES

SENSITIVITY OF ORE RESERVES AT VARIOUS GOLD PRICES

The Ore Reserves quoted are sensitive to operating costs and gold price. The official Ore Reserves are quoted at US\$582/oz, at an exchange rate of R6.2557/US\$, or R117 055 per kilogram.



REPORTING CODE AND PROCEDURE

DRDGOLD's Mineral Resource and Ore Reserve statements, with the exception of Porgera, were independently reviewed for the South African Code for the Reporting of Mineral Resources and Mineral Reserves (SAMREC Code), the Australasian Code for Reporting of Exploration Results (JORC Code), National Instrument 43-101 and the United States Securities and Exchange Commission (SEC) Industry Guide 7 compliance by RSG GLOBAL (RSG). RSG is an exploration, mining and resource consulting firm, which has been providing services and advice to the international mineral industry and financial institutions since 1987.

The review report for the South African operations has been compiled by Mr Ken Lomborg (SACNASP) and Dr Steven Rupprecht (Pr.Eng). The review report for Tolukuma and Emperor has been compiled by Dr Jan Pieter de Visser (MAusIMM and

MGAA). They have the appropriate relevant qualifications, experience, competence and independence to be considered independent 'Competent Persons' or 'Qualified Persons' under the definitions provided in the codes and instruments.

The process undertaken by RSG has been carried out through the review of the data, techniques, procedures and parameters used in the Resource and Reserve preparation during site visits to the operations. The existence of Environmental Management programmes and facilities for tailings disposal and environmental rehabilitation were also checked. All reserves that have been included in the reserve tabulation are included in the current life-of-mine plans.

For the previous two years DRDGOLD has calculated its Ore Reserves using a three-year average gold price. For the 2006 financial year, the three-year average is US\$453/oz which, at the exchange rate for the same period, equates to R93 800 per kilogram. With the increase in the gold price in 2006, DRDGOLD believes that the three-year averages are unrealistic for planning purposes and hence Ore Reserve calculations. In consultation with RSG it was decided to use the exchange rate and the gold price as at 31 March 2006, the final day of the quarter prior to the declaration of the Ore Reserves. At 31 March 2006, the dollar gold price was US\$582/oz, the exchange rate was R6.2557/US\$ and the rand gold price was R117 055/kg. All Ore Reserves that have been included in the Ore Reserve tabulation at R117 055/kg are included in the current life-of-mine plans.

For compliance with the SEC, in DRDGOLD's Form 20-F to be filed with the SEC, the Ore Reserves will also be quoted using the three-year average gold price of R93 800/kg and will be based on the same parameters

as used for the R117 055/kg declaration.

COMPETENT PERSONS

The information in this annual report that relates to Mineral Resource, Ore Reserve or exploration results is based on information compiled by the competent persons at each operation as listed below:

- Blyvoor: David Edwin James Whittaker (SACNASP);
- ERPM: Johan Smit (PLATO);
- Crown: William John Laing (PLATO);
- Tolukuma: Joe Sine (AusIMM); and
- Vatukoula/Tuvatu: Greg MacDonald (AusIMM).

These individuals have extensive (more than five years) relevant experience in the mining industry and the type of deposits mined. They are the designated competent persons, in terms of the SAMREC and JORC codes and are registered members of the recognised statutory organisations.

The competent persons responsible for the compilation and reporting of the DRDGOLD Mineral Resources and Ore Reserves, were David Edwin, James Whittaker (South African operations) and Richard Johnson (Australasian operations).

IDENTIFIED ATTRIBUTABLE ORE RESERVE (DELIVERED) AT 30 JUNE 2006												
	Proved				Probable				Total			
	Tonnes Mt	Grade g/t	Contents Gold t	Contents Gold Moz	Tonnes Mt	Grade g/t	Contents Gold t	Contents Gold Moz	Tonnes Mt	Grade g/t	Contents Gold t	Contents Gold Moz
Blyvoor (85%)												
Underground	18.220	6.34	115.586	3.716	6.904	5.45	37.626	1.210	25.124	6.10	153.212	4.926
Surface	17.437	0.59	10.236	0.329	–	–	–	–	17.437	0.59	10.236	0.329
Total	35.657	3.53	125.822	4.045	6.904	5.45	37.626	1.210	42.561	3.84	163.448	5.255
ERPM (85%)												
Underground	1.136	8.35	9.483	0.305	1.740	7.45	12.962	0.417	2.876	7.80	22.445	0.722
Surface	13.670	0.64	8.721	0.281	–	–	–	–	13.670	0.64	8.721	0.281
Total	14.806	1.23	18.204	0.586	1.740	7.45	12.962	0.417	16.546	1.88	31.166	1.003
Crown (85%)												
Underground	–	–	–	–	–	–	–	–	–	–	–	–
Surface	16.328	0.52	8.510	0.274	8.600	0.54	4.683	0.150	24.928	0.53	13.193	0.424
Total	16.328	0.52	8.510	0.274	8.600	0.54	4.683	0.150	24.928	0.53	13.193	0.424
Total South African Operations												
Underground	19.356	6.46	125.069	4.021	8.644	5.85	50.588	1.627	28.000	6.27	175.657	5.648
Surface	47.435	0.58	27.467	0.884	8.600	0.54	4.683	0.150	56.035	0.57	32.150	1.034
Total	66.791	2.28	152.536	4.905	17.244	3.21	55.271	1.777	84.035	2.47	207.807	6.682
Tolukuma (79%)												
Underground	0.159	18.98	3.018	0.097	0.211	14.42	3.043	0.098	0.370	16.38	6.061	0.195
Surface	–	–	–	–	–	–	–	–	–	–	–	–
Total	0.159	18.98	3.018	0.097	0.211	14.42	3.043	0.098	0.370	16.38	6.061	0.195
Porgera (16%)												
Underground	0.487	7.11	3.460	0.111	0.963	8.61	8.294	0.267	1.450	8.11	11.754	0.378
Surface	7.685	2.95	22.697	0.730	1.716	3.07	5.275	0.170	9.401	2.98	27.972	0.900
Total	8.172	3.20	26.157	0.841	2.679	5.06	13.569	0.437	10.851	3.66	39.726	1.278
Vatukoula (79%)												
Underground	0.967	12.33	11.925	0.383	0.878	10.45	9.177	0.295	1.845	11.44	21.102	0.678
Surface	–	–	–	–	–	–	–	–	–	–	–	–
Total	0.967	12.33	11.925	0.383	0.878	10.45	9.177	0.295	1.845	11.44	21.102	0.678
Total Australasian Operations												
Underground	1.613	11.41	18.403	0.591	2.052	10.00	20.514	0.660	3.665	10.62	38.917	1.251
Surface	7.685	2.95	22.697	0.730	1.716	3.07	5.275	0.170	9.401	2.98	27.972	0.900
Total	9.298	4.42	41.100	1.321	3.768	6.84	25.789	0.830	13.066	5.12	66.889	2.151
Total group												
Underground	20.969	6.84	143.472	4.612	10.696	6.65	71.102	2.287	31.665	6.78	214.574	6.899
Surface	55.120	0.91	50.164	1.614	10.316	0.97	9.958	0.320	65.436	0.92	60.122	1.934
Total	76.089	2.54	193.636	6.226	21.012	3.86	81.060	2.607	97.101	2.83	274.696	8.833

RESERVES AND RESOURCES

IDENTIFIED ATTRIBUTABLE MINERAL RESOURCE AT 30 JUNE 2006								
	Measured				Indicated			
	Tonnes Mt	Grade g/t	Contents Gold t	Contents Gold Moz	Tonnes Mt	Grade g/t	Contents Gold t	Contents Gold Moz
Blyvoor (85%)								
Underground	19.471	8.31	161.768	5.201	23.609	5.39	127.307	4.093
Surface	17.437	0.59	10.236	0.329	–	–	–	–
Total	36.908	4.66	172.004	5.530	23.609	5.39	127.307	4.093
ERPM (85%)								
Underground	2.386	8.36	19.950	0.642	6.945	9.13	63.398	2.038
Surface	13.670	0.64	8.721	0.281	163.455	0.36	59.265	1.906
Total	16.056	1.79	28.671	0.923	170.400	0.72	122.663	3.944
Crown (85%)								
Underground	–	–	–	–	–	–	–	–
Surface	90.267	0.396	35.701	1.148	292.289	0.25	73.055	2.349
Total	90.267	0.396	35.701	1.148	292.289	0.25	73.055	2.349
Total South African operations								
Underground	21.857	8.31	181.718	5.843	30.554	6.24	190.705	6.131
Surface	121.374	0.45	54.658	1.758	455.744	0.29	132.320	4.255
Total	143.231	1.65	236.376	7.601	486.298	0.66	323.025	10.386
Tolukuma (79%)								
Underground	0.086	45.36	3.901	0.125	0.129	30.24	3.901	0.125
Surface	–	–	–	–	–	–	–	–
Total	0.086	45.36	3.901	0.125	0.129	30.24	3.901	0.125
Porgera (16%)								
Underground	0.459	7.48	3.435	0.110	0.902	9.20	8.294	0.267
Surface	12.344	2.78	34.304	1.103	5.929	2.37	14.060	0.452
Total	12.803	2.95	37.739	1.213	6.831	3.27	22.354	0.719
Vatukoula/Tuvatu (79%)								
Underground	6.595	8.68	57.221	1.840	3.754	9.54	35.800	1.151
Surface	–	–	–	–	–	–	–	–
Total	6.595	8.68	57.221	1.840	3.754	9.54	35.800	1.151
Total Australasian operations								
Underground	7.140	9.04	64.557	2.075	4.785	10.03	47.995	1.543
Surface	12.344	2.78	34.304	1.103	5.929	2.37	14.060	0.452
Total	19.484	5.07	98.861	3.178	10.714	5.79	62.055	1.995
Total group								
Underground	28.997	8.49	246.275	7.918	35.339	6.75	238.700	7.674
Surface	133.718	0.67	88.962	2.861	461.673	0.32	146.380	4.707
Total	162.715	2.06	335.237	10.779	497.012	0.77	385.080	12.381

Inferred								Total			
Tonnes Mt	Grade g/t	Contents Gold t	Contents Gold Moz	Tonnes Mt	Grade g/t	Contents Gold t	Contents Gold Moz	Tonnes Mt	Grade g/t	Contents Gold t	Contents Gold Moz
125.537	3.25	408.152	13.122	168.617	4.13	697.227	22.416				
30.528	0.31	9.477	0.304	47.965	0.41	19.713	0.633				
156.065	2.68	417.629	13.426	216.582	3.31	716.940	23.049				
36.874	7.78	286.892	9.224	46.205	8.01	370.240	11.904				
-	-	-	-	177.125	0.38	67.986	2.187				
36.874	7.78	286.892	9.224	223.330	1.96	438.226	14.091				
-	-	-	-	-	-	-	-				
-	-	-	-	382.556	0.28	108.756	3.497				
-	-	-	-	382.556	0.28	108.756	3.497				
162.411	4.28	695.044	22.346	214.822	4.97	1067.467	34.320				
30.528	0.31	9.477	0.304	607.646	0.32	196.455	6.317				
192.939	3.65	704.521	22.650	822.468	1.54	1263.922	40.637				
0.239	25.56	6.110	0.196	0.454	30.64	13.912	0.446				
-	-	-	-	-	-	-	-				
0.239	25.56	6.110	0.196	0.454	30.64	13.912	0.446				
0.360	11.31	4.073	0.131	1.721	9.18	15.802	0.508				
0.833	2.06	1.717	0.055	19.106	2.62	50.081	1.610				
1.193	4.85	5.790	0.186	20.827	3.16	65.883	2.118				
4.294	10.53	45.198	1.453	14.643	9.44	138.219	4.444				
-	-	-	-	-	-	-	-				
4.294	10.53	45.198	1.453	14.643	9.44	138.219	4.444				
4.893	11.32	55.381	1.780	16.818	9.99	167.933	5.398				
0.833	2.06	1.717	0.055	19.106	2.62	50.081	1.610				
5.726	9.97	57.098	1.835	35.924	6.07	218.014	7.008				
167.304	4.49	750.425	24.126	231.640	5.33	1235.400	39.718				
31.361	0.36	11.194	0.359	626.752	0.39	246.536	7.927				
198.665	3.83	761.619	24.485	858.392	1.73	1481.936	47.645				

RESERVES AND RESOURCES

ORE RESERVE PARAMETERS UTILISED – SOUTH AFRICA				
		Blyvoor	ERPM	Crown
Underground				
Working cost	R/t	632.36	628.61	
Gold price	R/kg	117 055	117 055	
Plant recovery	%	96	94	
Mine call factor	%	84	87	
Mining factors:				
Sundries	%	15	9	
Discrepancies	%	12	12	
Required yield	g/t	5.40	5.37	
Head grade	g/t	5.64	5.70	
Broken grade	g/t	8.94	8.17	
Stope width	cm	109	125	
Surface				
Working cost	R/t	13.94	39.95	36.00
Gold price	R/kg	117 055	117 055	117 055
Plant recovery	%	48	66	64.5
Mine call factor	%	100	100	100
Mining factors:				
Reclamation	%	100	100	100
Required yield	g/t	0.119	0.341	0.308
Head grade	g/t	0.248	0.517	0.477
Broken grade	g/t	0.248	0.517	0.477

Note:

Ore Reserves for the South African operations are calculated using a total working cost pay-limit, the previous three years' mining efficiencies and the current life-of-mine plan. The working cost pay-limit is calculated per individual shaft or costing areas using area costing figures, and then combined to formulate the total pay-limit.

ORE RESERVE PARAMETERS UTILISED – AUSTRALASIA				
		Tolukuma	Porgera	Vatukoula
Underground				
Working cost	US\$/t	131	64	114
Gold price	US\$/oz	582	400	582
Plant recovery	%	91	87	87
Mine call factor	%	83	–	71
Mining factors:				
Sundries	%	–	–	15
Discrepancies	%	–	–	–
Required yield	g/t	7.0	5.0	6.0
Head grade	g/t	15.9	8.1	10.3
Broken grade	g/t	19.2	–	14.6
Stope width	cm	186	–	150
Surface/Open pit				
Working cost	US\$/t	–	13	–
Gold price	US\$/oz	–	400	–
Plant recovery	%	–	84	–
Mine call factor	%	–	–	–
Mining factors:				
Reclamation	%	–	–	–
Required yield	g/t	–	1.0	–
Head grade	g/t	–	3.4	–
Broken grade	g/t	–	–	–

Note:

Ore Reserves for the Australasian operations are calculated using a total working cost pay-limit, the previous three years' mining efficiencies and the current life-of-mine plan. The working cost pay-limit is calculated per individual shaft or costing areas using area costing figures, and then combined to formulate the total pay-limit.

RESERVES AND RESOURCES

GROWTH POTENTIAL

DRDGOLD's strategy remains that of growth and diversification through discovery and/or acquisition of new Mineral Resources and Ore Reserves. DRDGOLD has established specific objectives that will ensure sustainable, profitable growth within acceptable risk parameters. Acquisitions will be considered at any stage on the development curve, ranging from greenfields projects to mature operating mines. Of paramount importance in the growth strategy is the search for quality assets.

Growth opportunities within South Africa have been largely confined to organic expansion from existing operations. The introduction of the Minerals and Petroleum Resources Development Act of 2002, and the unused old order rights reverting back to the state as at 30 April 2005, has given DRDGOLD the opportunity to acquire and exploit additional areas which had previously been sterilised under the old order rights.

DRDGOLD has also become increasingly active in pursuing appropriate projects for gold exploration and acquisitions throughout Africa.

DRDGOLD will continue to build on its position as a leading gold producer and strive to establish and entrench its position as one of the world's premier international gold mining companies.

EXPLORATION AND PROJECT DEVELOPMENT

Exploration and project development during the year continued to enhance DRDGOLD's growth strategy in order to extend and replace existing production ounces.

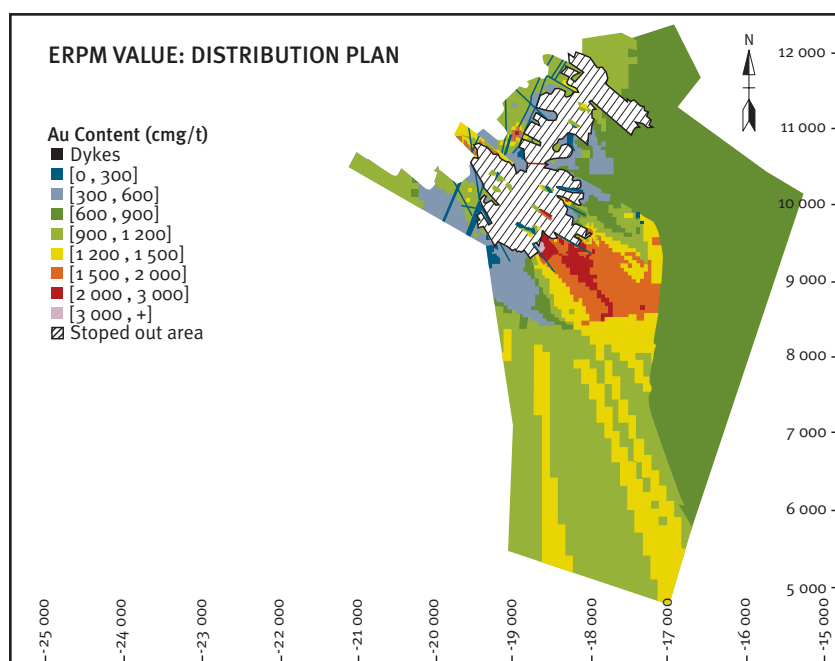
MINE EXPLORATION

ERPM

On 14 January 2006, DRDGOLD SA obtained a four-year prospecting right covering an area of 1 252 hectares of the adjacent Sallies Mine, referred to as ERPM Extension 1. The rationale behind the application is to pursue the high-grade Composite Reef payshoot currently being exploited at ERPM through the existing mine boundary.

The regional geology of the area indicates that there will be a strike change owing to faulting associated with an east-west trending sinistral tear fault. In order to confirm the

anticipated change in the geological structure and hence payshoot orientation, it is envisaged that prospecting will take place through the development situated 50 metres in the footwall. Owing to the high induced stress experienced at depth, it will be necessary to protect the excavation by means of concurrent over-stopping on the reef plane. Although this is the safest option, permission must first be sought from the Department of Minerals and Energy (DME).



ERPM EXTENSION 1 MINERAL RESOURCE				
Category	Tonnes	Grade	Contents	Contents
	Mt	g/t	Gold t	Gold Moz
Measured	0.07	11.84	0.810	0.03
Indicated	2.66	13.18	35.035	1.13
Inferred	34.03	7.96	270.988	8.71
TOTAL	36.76	8.35	306.833	9.87
DRDGOLD (85%)	31.25	8.35	260.808	8.39

ERPM Extension 1 Mineral Resource (4% geological losses applied)

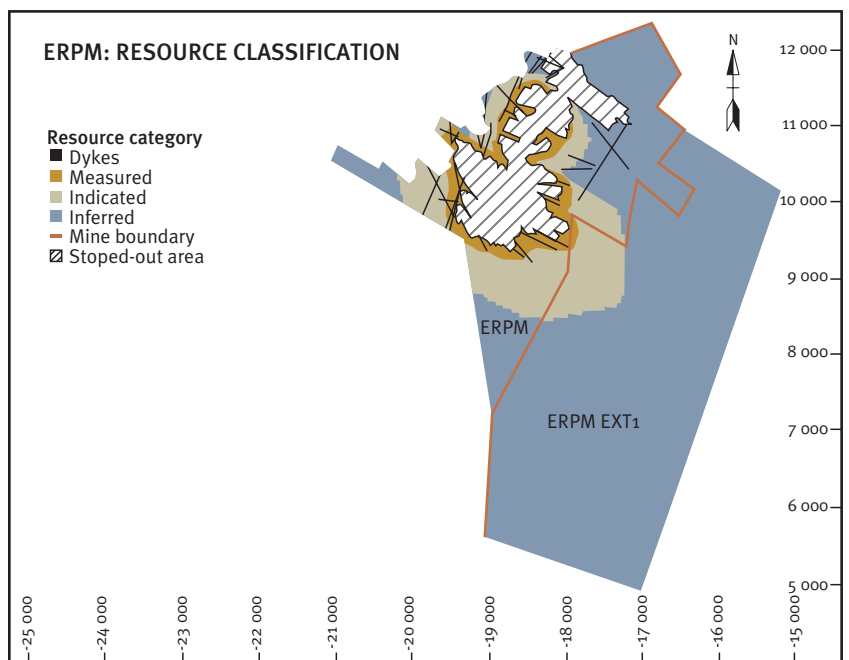


Exploration and project development during the year continued to enhance DRDGOLD's growth strategy in order to extend and replace existing production ounces

The development will be supplemented by 1 340 metres of exploration diamond drilling, conducted from exploration cross-cut drilling platforms.

The area covered by the prospecting right was evaluated in the current Reserve and Resource estimation. As a consequence of Measured and Indicated Resources being defined by grade extrapolation, an application to convert the prospecting right to a mining right will be submitted in the 2007 financial year. On approval, the Measured and Indicated Resource will be upgraded to a Reserve.

An application to extend ERPM's existing prospecting right eastwards into the Rooikraal/Withok area, incorporating the southern sections of the old Van Dyk mining lease area and a small portion of Sallies has been submitted to the DME. The additional area, referred to as ERPM Extension 2, totals 5 500 hectares, with a potential exploration target of some 7.0 Moz to 11.0 Moz of gold and could result in a deep level mine with a life in excess of 15 years.



CROWN

The company has concluded an agreement with AngloGold Ashanti Limited to purchase the remaining extent of Erf 1 Park Central Township, better known as the Top Star sand dump, located in the Johannesburg central business district (CBD), and the application for a mining right is in the process of being submitted.

The dump has been evaluated geostatistically and has a measured Mineral Resource of 5.1 million tonnes, at a grade of 0.755 g/t. Upon acquisition and the obtaining of a mining right, the dump will be incorporated into Crown's mining plan and thereby increase the operation's Proved Ore Reserves by 0.125 Moz.

RESERVES AND RESOURCES

Encouraging results have been returned on Tolukuma's Zine structure while a recently discovered vein set in the Fundoot area offers promising results from trenching across this structure

VATUKOULA

At the Philip Shaft section, exploration focused on the Basala project, testing for orebodies in the footwall of Prince William flatmake. This work has defined two previously unidentified structures to date, the Prince William footwall and Basala Shaft 1 flatmakes. Down-dip and strike extensions are currently being tested.

Ongoing testing of the Prince William hanging wall orebodies, close to current development, continues to prove encouraging between 14 level and 15 level. This work will continue testing down-dip and along strike and is expected to add significant flexibility to the mine plan.

A programme designed to test Prince William Deeps in the footwall of Dolphin flatmake commenced recently, and is expected to bring a significant tonnage into resource. This work forms part of the Basala Project aimed at defining the feeder system for the high-grade Prince Dolphin/Prince William Deeps gold-telluride mineralisation.

At the Emperor Decline section, structures targeted during the quarter included 10 level Vunivalu dyke-swarm, 10 to 12 level 260E shear, 10 to 12 level, 166N flatmake, and 10 to 12 level 166N HW flatmake. A number of significant intersections encountered on 166N HW flatmake and 10 level Vunivalu comprise part of the targets planned for production in the following quarter.

At the R1/Cayzer Shaft section, drilling revealed potential on Kava FW in the footwall of 17L UFZ. Drill testing of Vonu type structures in the footwall of DBX returned an encouraging result late in the quarter. Drilling into the R1 East block encountered some structural intersections in heavily altered andesite but returned insignificant gold values.

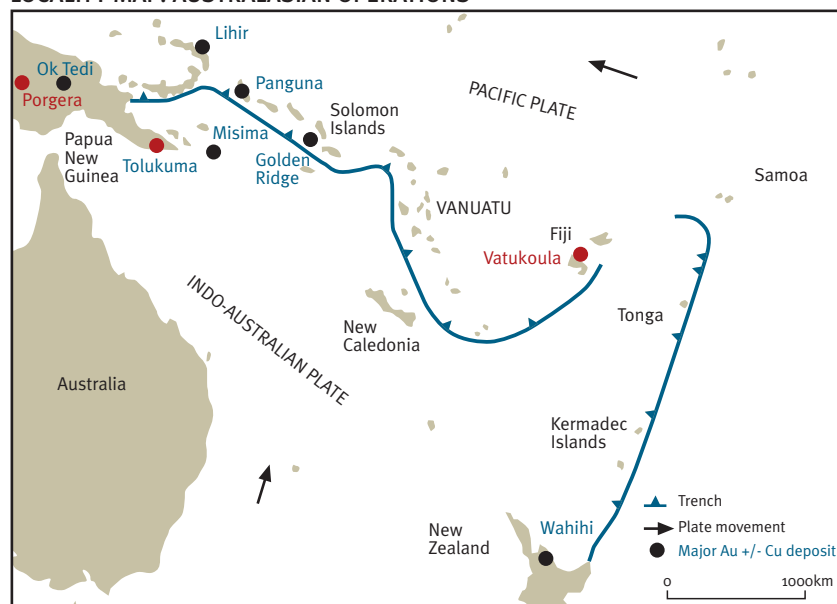
TOLUKUMA

Exploration activities at Tolukuma in the last quarter of FY06 have focused on the drilling of the Zine structure, with other minor work being completed on the Banana West-Wossa Ridge and Fundoot areas. Encouraging results have been returned on the Zine structure whilst a recently discovered vein set in the Fundoot area offers promising results from trenching across this structure.

To facilitate the current rate of exploration, an additional underground rig is scheduled to be commissioned at Tolukuma during the first quarter of 2007. This rig will expedite the resource definition drilling planned for the Zine structure.

Exploration development and underground diamond drilling at Tolukuma has intersected high-grade gold mineralisation on the Zine vein structure as well as in a newly discovered splay off the Zine structure.

LOCALITY MAP: AUSTRALASIAN OPERATIONS



RESERVES AND RESOURCES

ore shoots into the East Zone and to investigate the existence of a new ore shoot at depth.

Development on the 9 level exploration drive has also been completed. The 9 level is the platform for testing the Porgera Deeps Project. Initial drilling experienced ground problems. A further exploration programme will be carried out from surface. This will target the junction zone between the East Zone and Romane Fault along strike.

Field reconnaissance was carried out south of Mt Ipusa in EL 858 to follow up a geophysical anomaly. No intrusive outcrops were mapped. On the Special Mining Lease, field reconnaissance was carried out in Tupegai-Peruk and Liawin areas. There are current small alluvial gold mine activities in these areas. Final drill-pad locations for the

proposed Tupagai drill programme were designed, heli-supported logistics were finalised and track access was upgraded so that drilling could start in July. On the exploration licences, a field reconnaissance trip was undertaken to the Kumbipota area to assess and follow-up previously identified anomalous geochemistry. Geochemistry samples results are in progress. Data compilation, validation and integration for the exploration licences are complete.

REGIONAL EXPLORATION SOUTH AFRICA

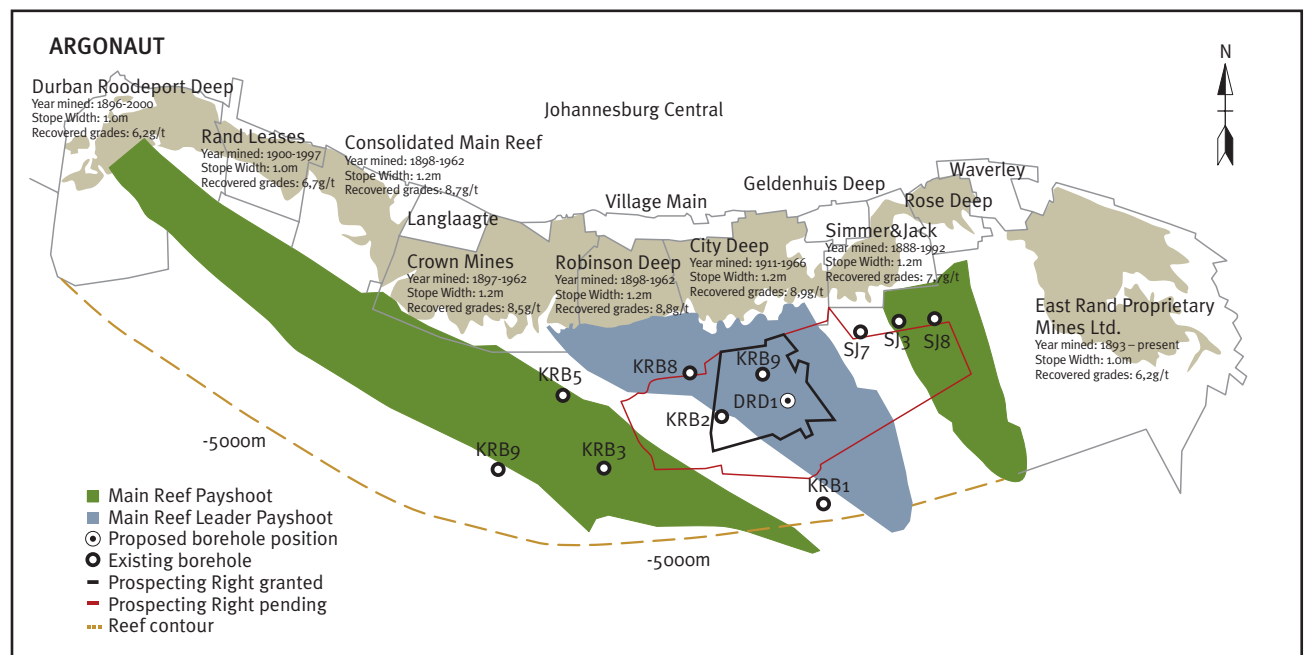
The Argonaut Project represents the southern down-dip extension of the Central Rand Goldfields. It relates to the possible exploitation of part of the potential Resource at 3 000 to 4 500 metres below surface, located south of the Robinson Deep Mine and

extending eastwards to the Simmer and Jack Mine.

On 6 February 2006, a prospecting right covering an area of 969 hectares over part of the project was obtained.

DRDGOLD is evaluating the feasibility of funding the drilling of a hole (DRD1) on its Prospecting Right No. 133/2006 (PR). The hole is anticipated to intersect the exploration target of the Main Reef Leader Reef at a depth of 4 200 metres below surface. Tenders have been submitted to five drilling contractors.

In order to support the drilling, an application for an extension to the current prospecting right by an additional 4 002 hectares has been submitted to the DME. On approval, a Mineral Resource for the revised area will be declared.





FIJI

No regional exploration work was carried out in Fiji. A re-assessment of feasibility of the Tuvatu Resource area is being undertaken and an aggressive new regional programme for both Tuvatu and Vanua Levu is under review.

PAPUA NEW GUINEA

The company maintains 11 exploration licences (EL) covering 9 114 square kilometres. Seven tenements are granted, namely ELs 683, 1297, 1379, 1284, 1271, 1352 and 1366 with four tenements, EL 580, 894, 1264 and 1327 awaiting renewal. Recent activity included maintenance of tenure matters, the start of fieldwork in EL 1284 and EL 1297, and the near completion of a major technical review of all exploration tenements which started in July 2005. The technical review phase has been completed and final edits of 11 EL reports and a summary report are being finalised.

TerraSearch completed validating and uploading all geochemical information across all the tenements and the Tolukuma database is now considered to be up to date. Together with recently acquired Landsat 7 thematic images and an Aster (15 metres) digital terrain

model, a comprehensive base now exists for future exploration planning on the existing tenements and the immediate regions.

The tenements contain mineralisation and anomalies at all scales from individual porphyry stocks (Copper-Gold) to the Tolukuma epithermal vein (Gold) system. The mineralisation is intimately associated with Pliocene volcanic piles and is expected to be connected to Miocene-Pliocene intrusions. Important controlling structures also occur, similar to those observed at other important deposits in PNG. Much of the 'modern' exploration from the past (1960s onward), has been sourced, reviewed and synthesised and has greatly assisted in defining individual prospects, their potential and the broader regional opportunity.

These evaluations have highlighted and given high grades to in excess of 30 separate prospects with several key prospects at an advanced stage requiring major drilling and exploration. These prospects exhibit large areas of geochemical and geophysical anomalism. Detailed geological knowledge of the Tolukuma

discovery base to current mining, other PNG deposits, and knowledge and comparison to other deposits worldwide has allowed screens to be applied and a ranking of prospects undertaken. Priorities for future exploration have been recommended.

This exploration review establishes the basis for the aggressive US\$15 million exploration programme unveiled by Emperor Mines Limited at the recent Asia Mining Congress held in Singapore during March 2006 and during its recent capital raising.