



December
2001

2001 in review

At our AGM on 23 November, I took the opportunity to update shareholders on recent events in our markets, with our workforce and our internal growth projects. I will try to capture these succinctly here as we bid farewell to 2001 and welcome the new year.



Management feels that hedging is no longer required, nor appropriate for DRD. Equally pleasing this year was the successful

conclusion to our biannual wage negotiations.

I would like to also comment on progress on our expansion programmes. The most important here is the Blyvoor Expansion Programme, which is replacing surface sources of mill feed with new Carbon Leader Reef and medium grade Main Reef. A further R60 million capex is required, and this project will add an additional 160kg of gold per month to the mine's production profile by 2004.

At North West Operations, production has commenced on the Black Reef open pit. At Harties 6 shaft, development of the medium grade project is on track, which will provide a further 200kg per month to the mine's production by May 2002. At Buffelsfontein, opening up on 29 level in the west of the lease area will be completed by year-end and will add an additional 700 kg of gold per year.

At our Tolukuma Gold Mine in Papua New Guinea, we have embarked on major expansion including the

establishment of a new open pit on the Kunda vein, as well as underground development of the Milihamba vein. This expansion will raise production to 125 000 annual ounces of gold at the relatively low cost of \$125/oz. Exploration of the new Saki deposit is to be accelerated, as this has the potential to become a significant additional resource.

When considering all these developments together, the outlook for both profitability and future growth looks encouraging. I wish each and every one of you a blessed Christmas and a prosperous 2002.

Mark Wellesley-Wood

Invitation

With Indaba just around the corner, DRD would like to invite those of you interested in attending an underground site visit to Blyvooruitzicht Gold Mine to please let us know by contacting Janice Dempsey by calling +27 11 880 3924 during office hours or emailing janice@rair.co.za by Friday 18th January 2002.

Date: Friday, 15 February 2002

Place: Blyvooruitzicht Gold Mine

Transport to and from Blyvoor will be arranged by DRD.



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DRD
investor brief

DRD heads for **New Orleans**

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Mark Wellesley-Wood at the DRD stand at the New Orleans Investment Conference.

DRD – or DROOY as it's commonly known in the US – attended the New Orleans Investment Conference 2001. Chairman Mark Wellesley-Wood presented the investment case for DROOY, taking the opportunity to inform the US market as to the status of its operations, how they rate globally, how they see the future of the company and why investors should consider taking up DROOY stock.

Using the latest multimedia in his presentation, Wellesley-Wood captivated US retail sector investors with the “Durban Deep mountain of reserves” and the “Roodepoort Rocket”, all the while driving home the point that DRD's leverage to the gold price can be likened to a “rocket” effect. This is primarily because there is scope for resource/reserve conversion with very little capital outlay; secondly, the earning leverage will increase as the hedge is pulled back (the company has a target to be unhedged by June 2002); and lastly DRD has excess milling capacity with the potential to double gold production with existing infrastructure.

DRD backs **GATA with Krugerrands**



Mark Wellesley-Wood presents 30 one-ounce Krugerrands to GATA MD, Bill Murphy.

The New Orleans Investment Conference also saw DRD's contribution of 30 one ounce Krugerrands – our famous gold coin – to the Gold Anti-Trust Action Committee Inc. (GATA). The coins, which will be sold by

most generous of GATA's supporters to come out of the gold mining sector. In appreciation, Murphy presented DRD representatives with lapel pins showing the US and SA flags crossing over as symbols of friendship between the two countries.

Wellesley-Wood reiterated that DRD believes in defending gold's traditional role in the international monetary system, predicting that gold's nature as money would be fully recognised again soon.

GATA to raise money for its challenge to US government agencies and bullion banks, who it accuses of suppressing the gold price, were presented by Wellesley-Wood to GATA Chairman, Bill Murphy on 29 November.

For only \$525, supporters will receive the DRD Krugerrand as well as a US/SA friendship lapel pin. Murphy concludes, “Obtaining one of these beautiful coins as a keepsake of DRD's support for the gold cause will prove doubly rewarding when we have broken the gold cartel and gold's price again reflects its true value in a free market.”

Murphy, who applauded DRD's efforts in “standing up for both gold and South Africa”, noted that DRD was the first and



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WANT A QUICK RESPONSE TO YOUR QUESTIONS ABOUT DRD? Email: eloffm@drd.co.za

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.

New numbers

Please note that as of
11 December 2001, our
telephone numbers will change.
In future please contact us on
+27 11 381 7800