

31 October 2019

Dear Shareholder

NOTICE IN TERMS OF SECTION 45(5) OF THE COMPANIES ACT NO. 71 OF 2008 ("THE COMPANIES ACT")

Notice is hereby given in terms of section 45(5) of the Companies Act that, pursuant to the authority granted to the board of directors ("**Board**") of DRDGOLD Limited ("**DRDGOLD** or "**the Company**") by shareholders at the annual general meeting of DRDGOLD on 30 November 2018, the Board has resolved that:

- (a) The Company enters into loan agreements with ERGO Mining (Proprietary) Limited, Far West Gold Recoveries (Proprietary) Limited, ERGO Mining Operations (Proprietary) Limited ("**EMO**"), East Rand Proprietary Mines Limited ("**ERPM**"), Crown Gold Recoveries (Proprietary) Limited, or any other subsidiary as may be required from time to time, which will govern, *inter alia*, the inter-company loans advanced and to be advanced by DRDGOLD to these subsidiaries.
- (b) The Company provides a letter of support to EMO and ERPM in terms of which, during the period commencing on the date of signature of EMO and ERPM's respective financial statements for the year ended 30 June 2019 and expiring 367 days thereafter, DRDGOLD will provide further financial support to EMO and ERPM and outstanding balances under such loans to be subordinated in favour of EMO and ERPM's trade creditors.
- (c) The Company agrees to provide financial assistance to related and inter-related companies if required of up to R1 000 000 000 (one billion Rand).

Prior to authorising the financial assistance, the Board considered and satisfied itself, in terms of section 45 of the Companies Act, that:

1. Immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test as contemplated in section 4 of the Companies Act;
2. There has been due compliance with the Company's Memorandum of Incorporation and with the Companies Act; and
3. The terms of the financial assistance are fair and reasonable in relation to the Company.

Yours faithfully



E BEUKES
COMPANY SECRETARY



Reg.No: 1895/000926/06