

COMPANY ANNOUNCEMENT

MINTAILS, DRDGOLD AGREE WEST RAND GOLD / URANIUM
EXPLORATION AND MINING JOINT VENTURE

26th April 2007 : Mintails Limited (ASX: MLI) and DRDGOLD Limited (NASDAQ: DROOY; JSE: DRD) announced today that they had reached agreement on the formation of a joint venture company in South Africa to explore, evaluate and potentially mine gold and uranium by opencast and underground mining methods in the Western Rand Goldfield of South Africa's Witwatersrand Basin.

Following discussions initiated during the fourth quarter of 2006, the joint venture key stakeholders, DRDGOLD, Mintails SA (wholly owned by Mintails Limited) and Mineral & Mining Reclamation Services (Pty) Ltd (MMRS) have agreed to consolidate their West Rand Goldfield projects comprising Rand Leases, Durban Roodepoort Deep, East Champ D'Or, Luipaardsvlei and West Rand Consolidated (including West Wits). The joint venture company's goal is to re-evaluate and re-start mining in the western rand goldfield, situated in the Witwatersrand Basin in South Africa's Gauteng province.

Initially, DRDGOLD and Mintails SA will hold 45% each in the joint venture company and MMRS, 10%. It is planned to list the joint venture company, to be named Kgosì Mining, on the Australian Stock Exchange and subsequently on the Johannesburg Securities Exchange, and to raise a minimum of \$6 million as an initial public offering.

The Witwatersrand is arguably one of the greatest gold and uranium-producing regions in the world. The joint venture lease consolidation provides a package of tenements with a continuous strike of over 20 kilometres, covering significant gold and uranium-producing, historical mines over the western margin of the Witwatersrand.

Gold production in the West Rand Goldfield began in the late 1880s with the focus on the Main and South reefs. Discovery of further reefs was quick to follow. The known reef groups on the consolidated joint venture lease area include the Main, Johnstone, Bird and Kimberley, with less extensive reefs such as the Black reef located in pockets.

Historical gold production on the constituent leases exceeds 30 million ounces and 17 000 tons U3O8.

Fluctuating gold and uranium commodity prices during the 20th century saw the closure and re-opening of mines and changes in mining focus between gold and uranium.

The joint venture company's objective for the first two years is to aggressively delineate Au and U3O8 resource/reserves, progress into advanced stages of commissioning or commence mining on the consolidated lease area. Modern mining techniques will be utilised and all activities conducted will be to a world-class standard.

Exploration targets are in the process of being generated across the consolidated lease area. The intention is to begin exploration for surface resource/reserves, while concurrently delineating remaining pillar reserves and areas previously unmined. Deeper exploration programmes will be designed later in 2008.

To achieve the goals of the joint venture, various exploration techniques will be utilised, including but not limited to surface reverse circulation and diamond drilling, underground diamond drilling and channel sampling of underground pillars.

In the creation of the exploration programme, the Witwatersrand reefs are being evaluated and prioritised. The U3O8- and Au-producing Bird Reef Group found across consolidated joint venture lease area become the initial primary target for open-cut and underground mining. Other Au-producing reef groups such as the Main and Kimberley will be targeted subsequently.

A programme of data compilation and cataloguing has begun and early results are encouraging. Given the disbursement of information and possible losses over the past 100 years of mining, the data collection programme will be on-going.

Under the South African Mineral and Petroleum Resources Development Act of 2002, a new mineral rights regime was introduced to install a pro-active exploration and mining industry. The new legislation has introduced a "use it or lose it" philosophy, allowing previously held, under-utilised land to receive attention from capable explorers willing to commit to the area and people. The joint venture holds new order and old order rights; the latter are in the process of being converting to new order.



Bryan J. Frost
Executive Chairman