

AGREEMENT

between

THE CHAMBER OF MINES OF SOUTH AFRICA

acting on behalf of the entities listed in Annexure A hereto
(hereinafter referred to as the "Gold Mines", "Mines" or "Companies")

and

THE NATIONAL UNION OF MINEWORKERS

and

UASA - THE UNION

and

SOLIDARITY

as principals and on behalf of their members as defined herein
(hereinafter respectively referred to as the "NUM", "UASA" and "Solidarity")
(collectively, the three unions will hereinafter be referred to as "the Unions")
(collectively, the Gold Mines and Unions will hereinafter be referred to as "the Parties")

regarding

**THE 2009 - 2011 REVIEW OF WAGES AND OTHER CONDITIONS OF
EMPLOYMENT**

on

GOLD MINES

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1 APPLICATION OF AGREEMENT

This agreement shall apply to the entities listed in Annexure A hereto (the "Gold Mines", "Mines" or "Companies") and to the Unions, including members of the Unions and all other employees employed at all relevant times in the Category 3 – 8, Miners and Artisans and Officials recognition units (the "employees").

2 WAGE INCREMENTS

2.1 Wage increments in respect of Category 3 employees

2.1.1 The wages of Category 3 underground employees will be increased as follows:

- (a) an increase of 10.5% from the July 2009 pay month (i.e. an increase to a Rand amount of R3 647 per month); and
- (b) a further increase to a Rand amount of R 4 000 per month from the July 2010 pay month.

2.1.2 The wages of Category 3 surface employees will be increased as follows:

- (a) an increase of 10.5% from the July 2009 pay month (i.e. an increase to a Rand amount of R 3 246 per month); and
- (b) a further increase to a Rand amount of R 3 500 per month from the July 2010 pay month.

2.2. Wage increments in respect of Category 4-8 employees, monthly paid Category 3-8 employees (staff), Miners and Artisans and Officials from the July 2009 pay month

- 2.2.1 Category 4-8: 10%;
- 2.2.2 the monthly paid employees (staff) within the Category 3-8 bargaining unit, as defined in the Cat 3-8 Code on Conditions of Employment: 10%; and
- 2.2.3 Miners and Artisans and Officials: 9%.

2.3. Wage increments in respect of Category 4-8 employees, monthly paid Category 3-8 employees (staff), Miners and Artisans and Officials from the July 2010 pay month

- 2.3.1 The second year increase will be the average CPI plus 1%, with a guaranteed minimum of 7.5%.

2.3.2 The Parties will engage in June 2010 to decide which of the following two formulas to use to calculate average CPI:

2.3.2.1 Formula 1:

- (a) the CPI figures for the months of January 2010 to June 2010 will be examined;
- (b) from the 6 (six) months mentioned in sub-clause (a) above the months with the highest and lowest CPI will be discounted; and
- (c) the CPI for the remaining 4 (four) months will be averaged.

2.3.2.2 Formula 2:

The CPI figures for April, May and June 2010 will be averaged.

2.3.3 The increases will be implemented in 2010 from the normal implementation dates.

2.3.4 "CPI" is the headline consumer inflation published from time to time by Statistics South Africa.

3 ACCOMMODATION

3.1 Living-Out Allowance (LOA)

3.1.1 The current Living-Out Allowance of R 1 200 per month will be increased as follows:

- (a) R 100 per month from September 2009; and
- (b) R 100 per month from September 2010.

3.1.2 The Parties reaffirm their commitment to the provision of the 2007-2009 Gold wage agreement (clause 23.2.3) which provides that discussions relating to the management of the use of the Living-Out Allowance will take place at company or mine level in existing structures such as housing allocation committees or housing forums.

3.1.3 Where the structures mentioned in clause 3.1.2 are not operational, they shall be reconstituted within 30 (thirty) days of the signing of this Agreement.

3.2 Home Ownership Allowance

3.2.1 Employees who currently receive a home ownership allowance of R 1 200 per month will receive an increase in

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the allowance equivalent to the increase for the Living-Out Allowance agreed to in clause 3.1.1 above.

- 3.2.2 The Harmony Home Ownership Allowances will be increased to a minimum of R 1 300 per month in September 2009 and to R 1 400 per month in September 2010.

3.3 Promotion of Home Ownership

In order to further develop the concept of home ownership and address the various issues that would play a role in the development of the concept, the Parties agree that working groups be established at company level to explore what the concept might entail for that particular company.

4 EMPLOYEE SHARE OWNERSHIP PLANS (ESOPS)

- 4.1 The Parties agree that the Unions will engage on concerns regarding ESOPS at company level.
- 4.2 Harmony agrees to engage with the Unions on the issue of ESOPS with the first meeting taking place within 60 (sixty) days of the signing of this agreement.
- 4.3 Rand Uranium is a new company. It is also an unlisted company. It is currently utilising its available capital for the building of a new uranium plant. The Company is prepared to discuss these issues with the Unions within 60 (sixty) days of conclusion of this agreement.
- 4.4 In the case of Tau Lekoa Mine, all vested and unvested awards in terms of ESOPS prior to the date of sale of the mine will vest immediately upon the effective date of sale and will therefore become immediately available for retention or sale in terms of the rules of the scheme. AngloGold Ashanti will arrange a meeting between Simmer & Jack and the leadership of the Unions in order to discuss the issue of ESOPS within 60 (sixty) days of the signing of this agreement.

5 SCARCE TECHNICAL SKILLS DEVELOPMENT

- 5.1 The Companies agree to become part of the Scarce Technical Skills task team which has been created in accordance with the provisions of the 2007-2009 Coal wage agreement.
- 5.2 The Parties agree that this task team will deal with occupations which from time to time will be identified as being in scarce supply.
- 5.3 The Parties agree that this task team should, where appropriate, work with the Mining Qualifications Authority (MQA) and with the Human Resources Development Committee of the Mining and

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Minerals Development Board, to ensure that existing discussions are not duplicated.

6 WOMEN IN MINING

6.1 Protective clothing for underground women workers

- 6.1.1 The Parties agree that a special task team will be established to discuss this matter.
- 6.1.2 The Parties furthermore agree that the task team will involve representatives of the Companies and the Unions and might include knowledgeable experts.
- 6.1.3 The task team should take into account work already done at specific mines in providing protective clothing appropriate to women.
- 6.1.4 A preliminary report for discussion by the Parties should be finalised within 3 (three) months of the signature of this agreement.

6.2 Pregnant underground and pregnant surface risk workers

- 6.2.1 All pregnant underground workers and pregnant workers doing surface risk work and who on the order of a relevant occupational health practitioner cannot continue in their current positions will be provided with alternative surface employment until they go on normal maternity leave.
- 6.2.2 Such employees' pay will remain in the same category, but at the surface rate.
- 6.2.3 The existing agreement in Harmony Free State will remain in place.
- 6.2.4 The existing arrangement at South Deep will remain in place.

7 CONTRACTORS AND LABOUR HIRE

7.1 Contractors

- 7.1.1 The Companies are committed to complying with previous wage agreements regarding contractors.
- 7.1.2 The Companies agree to introduce a general guiding principle that the conditions of employment of contractors should be in line with generally acceptable conditions of employment.
- 7.1.3 "Generally acceptable conditions" will differ from case to case depending on, for instance, the skill intensity of

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the contract and whether the contractor is subject to sectoral determinations or bargaining council agreements.

7.1.4 Contracting will be monitored at mine level through various mechanisms, including labour and management meetings (which might take place on a monthly or quarterly basis).

7.1.5 Where Companies do not have such monitoring systems in place, they will introduce systems to monitor compliance with these principles.

7.1.6 The Companies will commence a process of auditing contractors within 6 (six) months of the signature of this agreement and will on completion share such information with the Unions.

7.1.7 If a union becomes aware of, or an audit shows non-compliance, the company and the union will engage with the contractor concerned to ensure compliance.

7.1.8 If the non-compliance is not remedied, the dispute resolution procedure outlined in this agreement will be resorted to.

7.2 Labour Hire

7.2.1 Where the services of an individual are provided by a labour hire agency to fill a vacancy that exists in a company, such labour hire arrangement shall not endure for longer than 6 (six) months.

7.2.2 After such period, any continuation of such vacancy must be dealt with in terms of the company's recruitment and selection process.

8 MEDICAL INCAPACITY MINIMUM BENEFIT

8.1 The medical incapacity minimum benefit shall be increased from the current R 10 000 to R 15 000 with effect from the conclusion of this agreement.

8.2 The medical incapacity minimum benefit will be increased further to R 20 000 on 1 July 2010.

9 MEDICAL AID SCHEMES

9.1 Freedom of choice

The Parties agree that the issue of freedom of choice regarding medical aid schemes will be dealt with at company level.

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9.2 Contribution rates

- 9.2.1 The Parties agree that the issue of contribution rates needs to be investigated.
- 9.2.2 The Parties agree that they will engage at company level on the issue of alternative medical aid scheme arrangements which will contain and manage medical aid costs and that the options which will be explored will include the Rand Mutual Assurance (RMA) option.
- 9.2.3 Such engagement must take place within 60 (sixty) days of the signing of this agreement.

10 MEAL INTERVAL ALLOWANCE

- 10.1 The meal interval allowance in terms of the current arrangements will be increased from R 40 per month to R 70 per month.
- 10.2 Harmony agrees that employees may take 500 grams of solid food and 2 (two) litres non-alcoholic fluids underground for personal consumption only.

11 SERVICE INCREMENT (SI)

The existing caps in respect of the Service Increment for Category 3- 8 employees and for Miners and Artisans will be removed.

12 REIMBURSEMENT FOR BUSINESS TRAVEL

The applicable rate specified by the South African Revenue Service (SARS) as adjusted from time to time, will be paid where an employee is entitled to be reimbursed for authorised business travel.

13 RETIREMENT FUND ISSUES

13.1 Pension Fund/Provident Fund Trusteeship

The Chamber will address a letter to the Mineworkers Provident Fund (MPF) suggesting that it determines the level of representivity of the members of UASA in the Fund and, if they are sufficiently representative, asking the trustees to favourably consider having trustee/s on the Board drawn from UASA.

13.2 Retirement ages in terms of industry retirement funds

The Companies agree to abide by the following rules of the retirement funds regarding retirement:

- (a) the retirement age is 60 (sixty) years for members of Sentinel and for the Mine Employees Pension Fund (MEPF) as well as for all underground employees who are members of the MPF; and

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- (b) the retirement age for all Category 3 – 8 surface employees in the MPF is 63 (sixty three) years.

14 MINERS' CONTRACTS

- 14.1 The Companies agree with the Unions that this issue depends on the wording of the Core Conditions Code for Miners and Artisans.
- 14.2 The issue of whether Miners are required to be remunerated in accordance with clause 5.2 of the Core Conditions Code of Miners and Artisans will be referred to binding private arbitration jointly by the Union/s and by the Chamber of Mines acting on behalf of all the mining houses for a declarator or arbitration award within 3 (three) months of signature of this agreement.
- 14.3 Should the declarator or arbitration award require employers to enter into agreements in terms of clause 5.2 of the Core Conditions Code of Miners and Artisans, they should be negotiated and concluded at mine level within 3 (three) months of the arbitration award.
- 14.4 The parties to the arbitration will agree on the arbitrator, and in the event that the parties do not agree, the arbitrator will be appointed by the Managing Director of Tokiso Dispute Settlement.
- 14.5 The arbitration should take place in the form of motion proceedings i.e. by way of pleadings on affidavit and argument.
- 14.6 The proceedings before the arbitrator will take place without external legal representation and the parties to the arbitration may be represented by employees of these parties.
- 14.7 The Companies will be responsible for half of the arbitrator's costs and the Union/s which is/are party to the arbitration process for the other half of his/her costs.
- 14.8 Any other costs incurred by any of the Parties involved in the arbitration process will be for that party's own account.

15 WINDING ENGINE DRIVERS (WEDS)

15.1 Co-ordinators

- 15.1.1 The Companies are willing to move all Winding Engine Driver Co-ordinators to the graded C4 level.
- 15.1.2 All Co-ordinators not yet at C4 will be moved to the graded C4 Level in the Companies and where an allowance has been paid, this will fall away. However, these arrangements are subject to the proviso that no Winding Engine Driver Co-ordinator will be worse off.

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15.2 Training of learners by Winding Engine Drivers

15.2.1 The Chamber of Mines will convene a workshop at industry level to look at the relationship of the Core Conditions Code of Officials (clause 17) and the provisions of the Mine Health and Safety Act 29 of 1996 (MHSA) which provide that Winding Engine Drivers may not be disturbed in the execution of their duties. The Mining Health and Safety Inspectorate would also be invited to participate in the workshop as health and safety is a tripartite issue.

15.2.2 The workshop will be concluded within 6 (six) months of the signing of the agreement.

15.3 Rest breaks

The Companies agree to meet at industry level under the auspices of the Chamber, within sixty (60) days from the signature of this agreement, to determine in consultation with the Unions, adequate rest breaks in respect of rapid shift changeovers work for Winding Engine Drivers.

16 RECOGNITION CRITERIA FOR ORGANISATIONAL RIGHTS

The Companies undertake to apply section 18 of the Labour Relations Act 66 of 1995 (LRA) subject to the interim consensus that has been reached by the Parties in respect of founding members of the bargaining council. In terms of this undertaking therefore, section 18 threshold agreements will not be used to withdraw organisational rights from founding members of the bargaining council.

17 PRIORITY, MAINTENANCE AND ESSENTIAL SERVICES

17.1 The Parties agree to engage on the issue of priority, maintenance and essential services.

17.2 This engagement will be completed within 6 (six) months of the signing of this agreement.

17.3 In broad terms, the terms of reference will include issues such as the definition of essential, maintenance and priority services as well as shut-down and start-up procedures.

17.4 The engagement and negotiation will take place with the Unions' representatives at head office and with such representatives as determined by each union.

17.5 Any non-compliance with this clause will be dealt in terms of the dispute resolution procedures provided for in this agreement.

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18 COMPANY SPECIFIC ISSUES**18.1 Gold Fields**

Gold Fields will finalise the outstanding equalisation, within 30 (thirty) days of the signing of this agreement, as requested in the NUM demand.

18.2 AngloGold Ashanti***18.2.1 Production Focused Remuneration System***

It is agreed in respect of AngloGold Ashanti that the Company's production focused remuneration system will be explored by the Company and the Unions within 90 (ninety) days of signature of this agreement.

18.2.2 Acting Allowance for Officials

Anglo Gold Ashanti will shorten the period during which an Official will be acting without being paid an acting allowance provided for in the Acting for Officials Policy from the current 3 (three) months to 30 (thirty) days. All other provisions in the Policy will remain unchanged.

19 TIME AT WORK

- 19.1 The Companies agree that they will deal with the issue with the Unions at mine or company level in existing structures, to be convened within 60 (sixty) days of the conclusion of this agreement, in order to examine ways in which the level of attendance at work can be improved. This will not exclude parties entering into agreements over a shorter period.

20 BASIC CONDITIONS OF EMPLOYMENT ACT 75 of 1997 (BCEA)

The Unions hereby pledge their support for an application by the Chamber of Mines on behalf of the Mines, for a determination to vary for the period 1 October 2009 to 30 September 2011, the following provisions of the BCEA insofar as they apply to the Mines:

- 20.1 Section 12(2)(b) – Variation to permit overtime of up to 10 (ten) hours per week, where ordinary hours of work are averaged.
- 20.2 Section 14 – Exclusion to the effect that employees in the Miners, Artisans and Officials recognition units who work underground and in processing plants, dispense with the meal interval on the basis that informal rest arrangements and opportunities to take sustenance are made, and existing meal arrangements with regards to employees in processing plants remain in place.

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- 20.3 Section 15(1)(a) – Variation to permit periodic daily rest periods of less than 12 (twelve) hours, but not less than 8 (eight) hours, for the purpose of rapid shift changeovers.
- 20.4 Section 17(1) – Variation to the effect that shifts commencing at or after 04h00 are not regarded as night work.

21 SETTLEMENT OF WAGES AND OTHER CONDITIONS OF EMPLOYMENT

- 21.1 This agreement (including any Annexure hereto) will amend the existing terms and conditions of employment of the employees concerned to the extent set out herein, and is in full and final settlement of wages and terms and conditions of employment for the period from 1 July 2009 to 30 June 2011. Conditions of employment that are not amended by this agreement will continue to apply.
- 21.2 With the exception of the issues referred for negotiation at mine or company level in terms of this agreement, no party shall in respect of the period 1 July 2009 to 30 June 2011, seek to review wages and other conditions of employment. In respect of issues referred for negotiation at mine or company level the dispute resolution provisions provided for in the Labour Relations Act will apply where necessary.
- 21.3 Neither the Mines nor the Unions, nor any of their members will call for, encourage, or participate in any industrial action on the Mines in respect of any demand or proposal to amend the wages and other conditions of employment of employees for the duration of this agreement. In this regard the Parties will take such measures as may be reasonable, to ensure compliance with this clause.

22 DISPUTE SETTLEMENT PROCEDURES

In the event of any dispute between a Union or Unions on the one hand, and a Mine or the Mines on the other (the parties to the dispute) about the interpretation, application or implementation of this agreement, including any Annexure hereto:

- 22.1 Any party intending to refer the dispute for conciliation in terms of clause 22.2 below, shall make a reasonable effort to resolve the dispute before such referral.
- 22.2 Should the procedure mentioned in clause 22.1 above fail to resolve the dispute, the procedure for resolving the dispute shall be referred by either party, first to conciliation by an agreed conciliator and if still unresolved, to arbitration by a single arbitrator agreed to by the parties.
- 22.3 Should the parties fail to agree on either a conciliator or arbitrator, either of them may request the Managing Director of Tokiso

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Dispute Settlement to make a suitable appointment, which will not exclude the possibility of appointing a panellist from the Commission for Conciliation, Mediation and Arbitration (CCMA).

22.4 The decision of the arbitrator will not be subject to appeal. The parties, however, will be entitled to exercise their right of review under the common law. The Arbitration Act is excluded by agreement.

22.5 Each party to any arbitration proceedings conducted in terms of this agreement will bear its own costs and will contribute equally to the costs of the arbitration.

23 IMPLEMENTATION DATE

Unless otherwise stated, the wage increases and other changes to conditions of employment referred to in this agreement and the Annexures hereto, will be implemented with effect from 1 July 2009.

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Signed at JOHANNESBURG on this 28th day of July 2009.

For and on behalf of NUM:

Name: F. Balemi

Signature: [Signature]

Name: D. BOQWANA

Signature: [Signature]

For and on behalf of UASA:

Name: SF Stehring

Signature: [Signature]

Name: R. SAMUEL

Signature: [Signature]

For and on behalf of SOLIDARITY:

Name: [Signature]

Signature: [Signature]

Name: L.S. Hardy

Signature: [Signature]

For and on behalf of the CHAMBER OF MINES OF SOUTH AFRICA,
acting on behalf of the Gold Mines:

Name: F.S. Baker

Signature: E. Snydon

Name: Baker

Signature: [Signature]

18. CATEGORY 1 TO 8 STAFFJOB TITLE

Acclimatisation Supervisor
Aptitude Tester (certificated)
Aptitude Tester (Leaderless Group Test)
Aptitude Test Supervisor
Assay Laboratory - Head Fluxer
Assistant Recreation/Sports Officer
Barman
Bar Supervisor (controlling one liquor outlet)
Bar Supervisor (multi-outlet)
Caddy Master
Canteen/Kitchen Supervisor (not controlling stock)
Canteen/Kitchen Supervisor (controlling stock)
Canteen/Kitchen Senior Gang Supervisor
Caretaker - Club
Caretaker - Offices
Caretaker - Main Offices (controlling stock)
~~Chief Induna~~
Clerical Assistant
Clerk
Crush/Manning Controller
Head Clerk
Head Cook (Canteen Chef)
Head Orderly
Head Waiter
Laboratory Assistant
Nursing Assistant (100 day course)
Orderly (100 day course)
Orderly (uncertificated)
Personnel Assistant
Platemaker/Darkroom Camera Operator
Principal Clerk
Printing Machine Operator
Punch Machine Operator/Verifier
Punch Operator/Gang Supervisor

Recreation/Sports Officer
Sampler (uncertificated)
Sampler (certificated)
Senior Clerk
Senior Laboratory Assistant
Senior Orderly
Security Guard/Patrolman
Security Police - Corporal
Security Police - Sergeant
Security Police - Senior Sergeant
Senior Personnel Assistant
Senior Tribal Representative/Sub-Induna
Senior Ventilation Observer
Senior Work Study Observer
State Enrolled Nurse
Stores Controller (Shaft)
Switchboard Operator
Teacher (Adults)
Training Instructor (up to B3 tasks)
Training Instructor (supervisory tasks)

~~Tribal Induna~~

~~Tribal Representative~~

Typist: Copy typing/less than 40 words per minute
Typist: touch typing with a minimum of 40 words per
minute

Typing Pool Supervisor
Ventilation Observer
Village Representative
Village Supervisor
Welfare Assistant
Work Study - Job Analyst
Work Study Observer
Work Study Officer,
X-Ray and Darkroom Attendant