

AGREEMENT

between

THE CHAMBER OF MINES OF SOUTH AFRICA
Acting on behalf of the Employers listed in Annexure A hereto
(hereinafter referred to as the "the Employers" or "Companies")

and

THE NATIONAL UNION OF MINEWORKERS

and

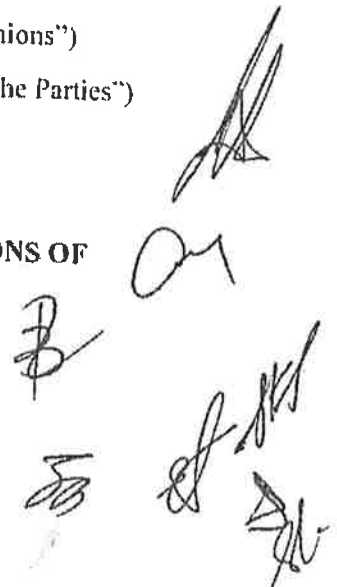
SOLIDARITY

and

UASA - THE UNION

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

**THE 2013 - 2015 REVIEW OF WAGES AND OTHER CONDITIONS OF
EMPLOYMENT**

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1 APPLICATION OF AGREEMENT

- 1.1. This Agreement shall apply to the Employers as well as to the Unions and their members who are employed in the Category 4 to 8, Miners & Artisans and Officials recognition units by the Employers.
- 1.2. The Chamber of Mines, acting on behalf of the Employers, and the Unions further agree that this Agreement shall, by virtue of the provisions of section 23(1)(d) of the Labour Relations Act 66 of 1995, as amended ("the LRA"), bind all other employees employed by the Employers, whether or not they are members of the Unions, who are employed in the abovementioned recognition units in the workplace of each respective employer, as defined in Annexure A hereto.
- 1.3. It is hereby recorded that the Unions have as their members the majority of employees employed in the workplace of each respective Employer.

2 WAGE INCREMENTS

2.1 Increases to Basic Wages from 1 July 2013

Category 4 and 5 Employees and Rock Drill Operators (RDOs) ¹	8% (eight percent)
Category 6 to 8 Employees, Miners & Artisans and Officials	7.5% (seven comma five percent)

¹ This will also apply to Category 3 Employees at Rand Uranium.

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2.2 Increases to Basic Wages from 1 July 2014

Category 4 and 5 Employees and Rock Drill Operators (RDOs) ²	CPI plus 1% (one percent) with a guaranteed minimum increase of 7% (seven percent)
Category 6 to 8 Employees, Miners & Artisans and Officials	CPI plus 0.5% (nought comma five percent) with a guaranteed minimum increase of 6.5% (six comma five percent)

2.3 Increases to Basic Wages in respect of B-Band Officials

The Companies will give the same percentage increase, applicable to Category 4 and 5 Employees, to those B-Band Officials, previously termed "Monthly Paid Staff", where the recognition units overlap and where such B-Band Officials could end up earning less than the equivalent Category 4 and 5 Employees once they receive the Officials' increase. ³

2.4 Calculation of CPI for purposes of determining the increases on basic wages to be implemented on 1 July 2014

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

² This will also apply to Category 3 Employees at Rand Uranium.

³ This will also apply to Category 3 Employees at Rand Uranium.

2.4.2 For the purposes of this agreement CPI will be calculated as follows:

2.4.2.1 the CPI rates for the months of January 2014 to June 2014 will be examined;

2.4.2.2 from the rates for the 6 (six) months mentioned in sub-clause 2.4.2.1 above, the months with the highest and lowest CPI rates will be discounted; and

2.4.2.3 the CPI rates for the remaining 4 (four) months will be averaged.

3 IMPLEMENTATION OF PREVIOUS WAGE AGREEMENTS

3.1 Home Ownership Allowances at Harmony's Kusasaletu operation

Harmony will provide UASA with a list of the UASA members and the housing allowances which they receive in respect of the Kusasaletu operation. Any anomalies will be corrected.

4 COMPANY SPECIFIC ISSUES

4.1 Acting allowance for Officials at AngloGold Ashanti

AngloGold Ashanti agrees to pay Officials an acting allowance for periods of less than 30 (thirty) days on a pro-rata basis.

4.2 Profit share scheme at Pan African Resources PLC (Evander Gold Mine)

4.2.1 Evander will on a quarterly basis share with employees in the bargaining unit. 1% (one percent) of Evander's operating profits less capital expenditure ("capex") for the quarter.

- 4.2.2 The profits and capex will be based on the quarter financial results.
- 4.2.3 The profits will be shared equally between all full-time employees in the bargaining unit.
- 4.2.4 The profit share incentive scheme will be paid in South African Rands ("ZAR").
- 4.2.5 Should the capex deviate by more than 10% (ten percent) from the trend over the previous 4 (four) quarters, the company will engage with the recognised unions on the reasons for this high expenditure.

4.3 Harmony's Kalgold Operation

Engagement will take place on the Kalgold Allowance within 3 (three) months of the signing of this Agreement.

5 RETIREMENT ISSUES

5.1 Retirement age

- 5.1.1 The Chamber will send letters to the Mineworkers Provident Fund ("MPF") and the Sentinel Retirement Fund, the two industry retirement funds, asking that they agree to extend the retirement age for underground Miners & Artisans and Officials to 63 (sixty three) years, under the circumstances set out in clauses 5.1.2 and 5.1.3.
- 5.1.2 The retirement age for individual underground Miners & Artisans and Officials will only be extended to 63 (sixty three) years of age at the discretion of an Employer, and in consultation with the representative trade union, on the basis that there are operational requirements that necessitate this, and in particular the retention of specialised skills. This consultation must include a discussion on the consequences of extending retirement past 60 (sixty) years of age.

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5.1.3 Employees who want to extend their retirement age to 63 (sixty three) years will be required to apply to his/her Employer for such an extension and undergo and pass a company medical examination.

5.2 Equitable representation by all stakeholders on the boards of trustees of the industry retirement funds

The Chamber will write letters to the Mineworkers Provident Fund ("MPF") and the Sentinel Retirement Fund, the two industry retirement funds, and to the sponsors, proposing that the Association of Mineworkers and Construction Union ("AMCU") and other recognised unions be proportionately represented on each of the Boards of Trustees of these retirement funds.

6 WELLNESS ISSUES

6.1 Medical incapacity benefit

The Companies will increase the current medical incapacity benefit of R30 000 (thirty thousand Rand) by R5 000 (five thousand Rand) with effect from 1 July 2013 and by a further R5 000 (five thousand Rand) on 1 July 2014.

6.2 Medical Examinations

The Parties will jointly contact the Mine Health and Safety Council ("MHSC") and ask it to make recommendations on the frequency of medical examinations based on existing research.

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7 ACCOMMODATION ISSUES

7.1 Living-Out Allowance ("LOA") and Housing / Accommodation Allowance

7.1.1 AngloGold Ashanti Ltd, Gold Fields Ltd, Harmony Gold Ltd, Rand Uranium Cooke Operations, Sibanye Gold Ltd and Village Main Reef (Tau Lekoa Mine)

The current LOA and Housing / Accommodation Allowance of R 1 640 (one thousand six hundred and forty Rand) per month will be increased as follows:

7.1.1.1 R 180.00 (one hundred and eighty Rand) per month from September 2013; and

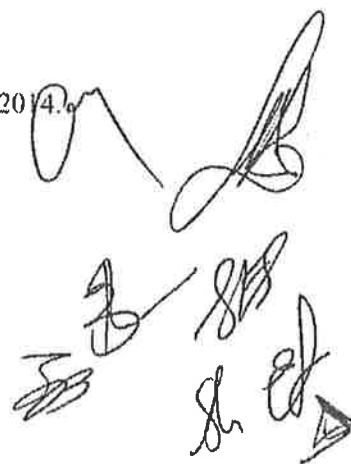
7.1.1.2 R 180.00 (one hundred and eighty Rand) per month from September 2014.

7.1.2 Pan African Resources PLC (Evander Gold Mine)

The current LOA and Housing / Accommodation Allowance will be increased to:

7.1.2.1 R 1 800 (one thousand eight hundred Rand) from September 2013; and

7.1.2.2 R 2 000 (two thousand Rand) from September 2014.

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7.1.3 Village Main Reef (Buffelsfontein and South Plant Operation)

The current LOA and Housing / Accommodation Allowance will be increased as follows:

7.1.3.1 At Buffelsfontein from R 1 150 to R 1 350 and at the South Plant Operation from R 1 150 to R 1 575 from September 2013; and

7.1.3.2 At Buffelsfontein from R 1 350 to R 1 530 and at the South Plant Operation from R 1 575 to R 2 000 from September 2014.

7.2 Presidential Compact

The Parties recommit themselves to the multi-stakeholder Presidential Compact concluded during the latter part of 2012 and agree to actively and in a positive manner participate in this initiative with a view to addressing accommodation issues in the mining industry.

8 INDEBTEDNESS OF EMPLOYEES: MICRO LENDING AND GARNISHEE ORDERS

8.1 The Chamber and the Unions will establish a joint task team in order to address the following 5 (five) issues:

8.1.1 investigate the extent of the problem;

8.1.2 investigate legal issues, such as the legality of judgments and garnishee orders;

8.1.3 giving effect to the provision of the Deputy President's Framework Agreement for a Sustainable Mining Industry, signed on 3 July 2013,

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which provides that the employer will inform individual employees upon receipt of emolument garnishee orders;

8.1.4 employee financial education and debt counselling; and

8.1.5 formulate recommendations on legislative amendments.

8.2 This task team will also take cognisance of initiatives by the National Credit Regulator and the National Treasury.

9 SEVERANCE PACKAGE PAYABLE TO EMPLOYEES TO BE RETRENCHED

The Parties agree that severance packages for employees to be retrenched in terms of sections 189 and 189A of the Labour Relations Act 66 of 1995 will not be less than the current formula of two weeks' basic pay per year of service with a guaranteed minimum severance pay as contained in clause 6.2.1 of the 2011-2013 Gold Wage Agreement of R20 000 (twenty thousand Rand).

10 FAMILY RESPONSIBILITY LEAVE

10.1 The Companies will extend the Family Responsibility Leave granted in terms of the Basic Conditions of Employment Act 75 of 1997 ("BCEA") to include situations where the employee's spouse is sick.

10.2 The number of Family Responsibility Leave days per year remains unchanged.

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11 TOPPING UP OF STATUTORY BENEFITS FOR INJURIES AND DISEASES

11.1 The Parties acknowledge that statutory benefits are legislated and cannot be amended by the signatories of this Agreement.

11.2 The Parties agree that both the Unions and the Chamber will benefit from receiving information on these statutory benefits.

11.3 Therefore, a joint information-sharing session led by an expert in the field of statutory benefits will be held within 6 (six) months of the signing of this Agreement so that the Parties can all be more fully informed on this subject.

12 SECURITY PERSONNEL

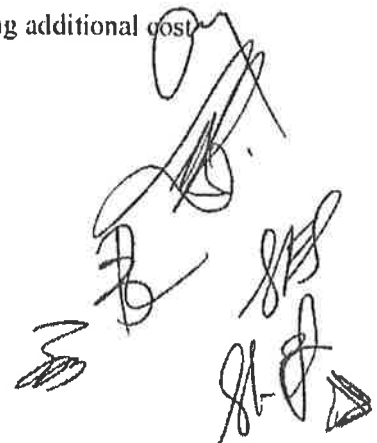
Ways and means to provide appropriate protection to security employees for high risk assignments will be investigated by the parties at company level.

13 INVESTIGATION INTO ORGANISATION DESIGN WITHIN THE BARGAINING UNIT

The parties agree to appoint an expert to:

- (i) conduct an investigation; and
- (ii) report to the parties on or before 30 June 2015

on the issue of organisation design on the gold mines without having additional cost implications.

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14 SINDISA

The Parties agree that the issues dealt with in the Sindisa Task Team relating to possible agreements on new shift systems on particular mines, will be progressed at company / mine level within 6 (six) months of the signing of this Agreement in order to explore the objectives recommended by the Task Team, save where this matter has already been dealt with at company level by way of a binding collective agreement.

15 FRAMEWORK AGREEMENT FOR A SUSTAINABLE MINING INDUSTRY ENTERED INTO BY ORGANISED LABOUR, ORGANISED BUSINESS AND GOVERNMENT

The Parties, all signatories to the Deputy President's Framework Agreement for a Sustainable Mining Industry concluded on 3 July 2013, recommit themselves to the spirit and content of the Framework Agreement, especially to the commitments which all the parties to the Framework Agreement made in the agreement. This similarly applies to all unions recognised by the companies.

16 BASIC CONDITIONS OF EMPLOYMENT ACT 75 OF 1997 ("BCEA")

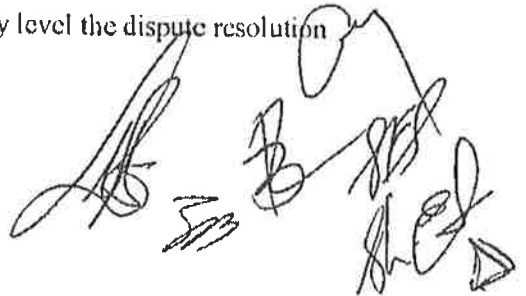
The Unions hereby pledge their support for an application by the Chamber on behalf of the Employers, for a determination to vary for the period 1 October 2013 to 30 September 2015, the following provisions of the BCEA insofar as they apply to the Employers:

- 16.1 section 12(2)(b) – variation to permit overtime of up to 10 (ten) hours per week, where ordinary hours of work are averaged;

- 16.2 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;
- 16.3 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; and
- 16.4 section 17(1) – variation to the effect that shifts commencing at or after 04h00 are not regarded as night work.

17 SETTLEMENT OF WAGES AND OTHER CONDITIONS OF EMPLOYMENT

- 17.1 This Agreement (including any Annexure hereto) will amend the existing terms and conditions of employment of the employees bound by this agreement to the extent set out herein, and is entered into in full and final settlement of all demands and proposals made during the course of the negotiations that led to the conclusion of this agreement and is in full and final settlement of wages and terms and conditions of employment for the period from 1 July 2013 to 30 June 2015. Conditions of employment that are not amended by this Agreement will continue to apply.
- 17.2 With the exception of the issues referred for negotiation at mine or company level in terms of this Agreement, no party to this agreement or other person bound by this agreement shall in respect of the period 1 July 2013 to 30 June 2015, seek to review or renegotiate wages and other conditions of employment. In respect of issues referred for negotiation at mine or company level the dispute resolution

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provisions provided for in the Labour Relations Act 66 of 1995 ("LRA") will apply where necessary.

17.3 No party to this agreement or any other person bound by it will call for, encourage, or participate in any strike or lock-out in respect of any demand or proposal to amend the wages and other conditions of employment of employees for the duration of this agreement.

17.4 All parties to this agreement as well as all other persons bound by it will respect and adhere to the Agreement as well as to all other existing terms and conditions of employment. No one will endeavour to re-open negotiations on any issue covered in this Agreement or any other existing terms and conditions of employment.

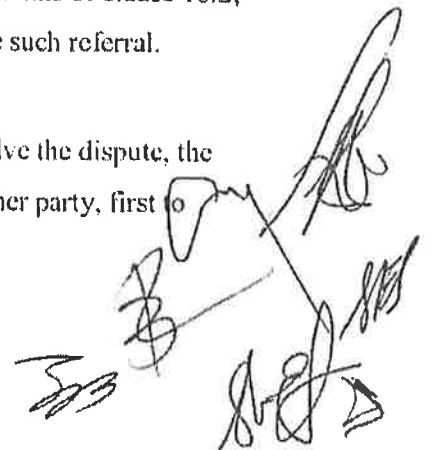
17.5 The Parties to this agreement as well as all other parties bound by this agreement will take such measures as may be reasonable, to ensure compliance with this clause 16.

18 DISPUTE SETTLEMENT PROCEDURES

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

18.1 Any party intending to refer the dispute for conciliation in terms of clause 18.2, shall make a reasonable effort to resolve the dispute before such referral.

18.2 Should the procedure mentioned in clause 18.1 fail to resolve the dispute, the procedure for resolving the dispute shall be referred by either party, first to

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conciliation by an agreed conciliator and if still unresolved, to arbitration by a single arbitrator agreed to by the parties.

18.3 Should the parties fail to agree on either a conciliator or arbitrator, either of them may request the Managing Director of Tokiso 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").

18.4 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.

18.5 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.

19 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 2013.

Signed at JOHANNESBURG on this 10th day of September 2013.

For and on behalf of NUM:

Name: Frans Bakani Signature: 

Name: Simisule Ponji Signature: 



For and on behalf of SOLIDARITY:

Name: Fredrick van der Merwe Signature: [Signature]

Name: Steve Scott Signature: [Signature]

For and on behalf of UASA:

Name: SF Stehring Signature: [Signature]

Name: H.F. Louw Signature: [Signature]

For and on behalf of the CHAMBER OF MINES OF SOUTH AFRICA,
acting on behalf of the Employers referred to in Annexure A:

Name: Elize Strydom Signature: [Signature]

Name: JEFF LEAVER Signature: [Signature]

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ANNEXURE A

EMPLOYERS AND EMPLOYEES COVERED BY THE 2013-2015 WAGE AGREEMENT

- 1 **ANGLOGOLD ASHANTI LTD**, in respect of the workplace, comprises the following mines and operations, namely:

Regional Services; Metallurgical Services; Great Noligwa Mine; Kopanang Mine; Moab Khotsong Mine; Mponeng Mine; Savuka Mine; Tau Tona Mine; AngloGold Ashanti Health; Mine Waste Solutions (MWS).

- 2 **GOLD FIELDS LTD**, in respect of the workplace, comprises the following mines and operations, namely:

South Deep Joint Venture and Gold Fields Group Services - Shared Services South Africa Region.

- 3 **HARMONY GOLD MINING COMPANY LTD**, in respect of the workplace, comprises all the surface and underground operations linked to the following mines and operations, namely:

Unisel Mine; AMF Shafts; Masimong Mine; Kusasulethu Mine; Kalgold Mine; Bambanani Mine, including President Steyn 2; Joel Mine; Tshepong Mine; Phakisa Mine; Free State Business Services; Ernest Oppenheimer Hospital; Doornkop Mine; Central Services; Target One Shaft; and Target Three Shaft.



- 4 **PAN AFRICAN RESOURCES PLC**, in respect of the workplace, comprises the following mine, namely:

Evander Gold Mine.

- 5 **RAND URANIUM LTD: COOKE OPERATIONS**, in respect of the workplace, comprises the following mines and operations, namely:

Cooke 1; Cooke 2; Cooke 3; Cooke Plant; Cooke Surface Operations; Cooke Services.

6 **SIBANYE GOLD LTD**

6.1 Sibanye Gold Ltd's workplace comprises the following mines and operations, namely Driefontein; Kloof; Beatrix; Sibanye Gold Health Services West Wits; and Sibanye Gold Property Services.

6.2 Sibanye Gold Protection Services Ltd's workplace comprises its Head Office and all other places where its employees are stationed.

6.3 St Helena Hospital (Pty) Ltd's workplace comprises St Helena Hospital and all other places where its employees are stationed.

6.4 Sibanye Gold Academy (Pty) Ltd's workplace comprises the Academy and all other places where its employees are stationed.

6.5 Sibanye Gold Shared Services (Pty) Ltd's workplace comprises the Shared Services Offices and all other places where its employees are stationed.

- 7 **VILLAGE MAIN REEF LTD**, in respect of the workplace, comprises the following mines and operations, namely:



Buffelsfontein Mine; South Plant Operation and Tau Lekoa Mine.

It is agreed that the Mines and Operations of each Employer as described above constitutes a single workplace in respect of that Employer, for the purposes of section 23(1)(d) of the Labour Relations Act 66 of 1995.

