

STATEMENT ISSUED ON BEHALF OF:

**AngloGold Ashanti | Gold Fields | Rand Uranium | Harmony Gold
Evander Gold Mine | Sibanye Gold | Village Main Reef**

collectively representing the gold producers who are represented in wage negotiations
by the **CHAMBER OF MINES**

NUM RESPONSE AWAITED ON NEW WAGE OFFER FROM GOLD PRODUCERS

Johannesburg, 6 September 2013: Gold producers represented by the Chamber of Mines in wage negotiations (AngloGold Ashanti, Gold Fields, Harmony Gold, Rand Uranium, Sibanye Gold and Village Main Reef) are awaiting the outcome of discussions between National Union of Mineworkers (NUM) leadership and members on a new offer on terms and conditions of employment which, it is hoped, will end the current strike.

Indications are the majority of mines will be back at work by this evening. The exception is Harmony's operations (with the exception of Kusasalethu) where certain matters remain under discussion.

The offer incorporates a two-year agreement.

Category 4 and 5 employees, and rock drill operators would receive increases of 8% and other employees 7.5%, effective 1 July 2013.

Employees would receive further CPI-linked increases effective 1 July 2014.

The current monthly living out allowance of R1,640 would increase to R2,000 in two R180 steps, on 1 September 2013 and 2014.

Commitments are also proposed on certain additional points:

- the parties should agree to appoint an expert to investigate and report on organisation and job design in the gold mining industry;
- issues dealt with in the Sindisa Project report, mostly relating to enhancing working patterns and shift arrangements, should continue at company or mine level where appropriate;
- the companies would commit to working with organised labour to develop joint solutions on issues related to garnishee orders and other aspects of employees' personal financial management; and
- the minimum medical incapacity benefit would increase from R30,000 to R40,000 over the two years.

The Gain Share concept initially proposed has been dropped given the lack of interest at this stage from the unions.

Chamber of Mines chief negotiator Elize Strydom said the offer was “a little more than employers would have preferred. However, we ultimately took the view that the agreement has helped us prevent a longer period of damaging industrial action and remains a reasonably balanced outcome in terms of affordability and jobs preservation and, as such, is in the best interests of shareholders, management and employees.”

Pan African Resources reached agreement with the unions earlier this week.

Queries:

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