

Statement issued on behalf of:

AngloGold Ashanti | Harmony
Evander Gold Mines | Sibanye

WAGE NEGOTIATIONS FOR THE GOLD INDUSTRY 2015

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

EVANDER CONCLUDES THREE-YEAR WAGE AGREEMENT

Johannesburg, 13 October 2015: The Chamber of Mines, acting on behalf of Evander Gold Mines, is pleased to advise that the company has reached a three-year agreement with the National Union of Mineworkers (NUM) and UASA in respect of wages and conditions of service for the period 1 July 2015 to 30 June 2018.

The settlement reached provides for the following:

- Category 4-8 employees and B-lower officials will receive an increase of R 700 per month in years 1, 2 and 3, as well as a R100 per month increase in living-out allowance in year 1.
- Miners, Artisans and Officials, an increase of 6% on standard rate of pay in years 1, and 6% or CPI (whichever is the greatest) in years 2 and 3.

Speaking on behalf of the gold producers, Dr Elize Strydom indicated that the producers were pleased that another settlement has been reached within the parameters agreed by the companies on 2 October 2015. "The wage settlements reached between the relevant companies and unions are all substantial – between 10% and 13% increase in basic wage for entry-level employees in each of the three years of the agreement."

On 2 October the Chamber of Mines advised that a three-year agreement had been reached between AngloGold Ashanti and Harmony and NUM, Solidarity and UASA. As these three unions collectively represent the majority of employees at AngloGold Ashanti and Harmony, the companies have extended the agreement to all employees within the bargaining unit, irrespective of their union affiliation. Sibanye Gold continues to engage with AMCU, the NUM, Solidarity and UASA in an effort to reach a sustainable settlement.

Non-wage items agreed

In addition to the wage increase, the following additional non-wage issues have been agreed by the companies:

- Increase in medical incapacity benefit from R40,000 to R55,000 over three years.
- Medical aid contribution rates to remain at 60% for employers and 40% for Cat 4-8 employees for three years from the date of agreement.

Queries:

Dr Elize Strydom, Chamber of Mines, +27 (0) 11 498 7409 or +27 (0) 82 773 9533

Charmane Russell, on behalf of the Gold Producers, +27 (0)11 880 3924 or + 27 (0) 82 372 5816

- Increase in current guaranteed minimum severance pay from R20,000 to R30,000 over three years.
- Extension of retirement age for surface workers to 63 years, subject to meeting company medical examinations and fitness-to-work assessments as required, provided that employees who wish to retire before 63 shall be entitled to do so.
- A task team will be established to investigate the extension of retirement age for Miners and underground Artisans and Offices from 60 to 63 years. The task team must complete a written report on its findings and recommendations within six months.
- Increases in the funeral cover for certain employment categories.
- An agreement that the parties will engage over a three year period on the issue of securing the sustainability of the sector and operational efficiency.

Should you have any queries please contact:

Dr Elize Strydom, Chamber of Mines +27 (0)11 498 7409 or +27 (0)82 773 9553

Charmane Russell and Memory Johnstone, on behalf of the gold producers

+27 (0)11 880 3924; +27 (0)82 372 5816 or +27 (0)82 719 3081

charmane@rair.co.za or memory@rair.co.za