AGREEMENT

between

THE MINERALS COUNCIL OF SOUTH AFRICA

Acting on behalf of **ANGLOGOLD ASHANTI LTD** in respect of the mines and operations

and

ASSOCIATION OF MINEWORKERS AND CONSTRUCTION UNION (AMCU)

and

THE NATIONAL UNION OF MINEWORKERS (NUM)

and

SOLIDARITY

and

UASA – THE UNION (UASA)

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

regarding

THE 2018 – 2021 REVIEW OF WAGES AND OTHER CONDITIONS OF EMPLOYMENT

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1. APPLICATION OF THE AGREEMENT

This Agreement shall apply to and bind the Employer as well as the Unions and their members in respect of employees employed by the employer in the Categories 4 to 8, Miners & Artisans' and Officials' recognition units. This agreement shall endure for the period from 1 July 2018 to 30 June 2021.

2. WAGE OFFERS

2.1 The Company agrees to pay the following increases over the 3 (three) year period:

AngloGold Ashanti	Year One	Year Two	Year Three
Categories 4-8 surface & underground	R700.00 per month on the standard rate of pay.	R800.00 per month on the standard rate of pay.	R900.00 per month on the standard rate of pay.
Miners, Artisans & Officials	5.5% on the standard rate of pay.	5.5% on the standard rate of pay or CPI, whichever is greater	5.5% on the standard rate of pay or CPI, whichever is greater

2.2 Payment in respect of New Shift Arrangements

2.2.1 Employees in the category 4-8 recognition unit shall:

2.2.1.1 be paid an additional R300.00 (three hundred Rand) per month to the standard rate of pay for Year One of this Agreement in consideration for agreeing to, and working, the new shift arrangements as envisaged in the New Shift Arrangements Agreement. This will result in an increase to the standard rate of pay of R1000.00 (one thousand Rand) per month for Year One of this Agreement.

2.2.1.2 be paid an additional R200.00 (two hundred Rand) per month to the standard rate of pay for Year Two of this Agreement in consideration for agreeing to, and working, the new shift arrangements as envisaged in the New Shift Arrangements Agreement. This will result in an increase to the standard rate of pay of R1000.00 (one thousand Rand) per month for Year Two of this Agreement.

2.2.1.3 be paid an additional R100.00 (one hundred Rand) per month to the standard rate of pay for Year Three of this agreement in consideration for agreeing to, and working, the new shift arrangements as envisaged in the New Shift Arrangements Agreement as concluded. This will result in an increase to the standard rate of pay of R1000.00 (one thousand Rand) per month for Year Three of this Agreement.

2.3 Employees in the miners and artisans' and officials' recognition units shall:

2.3.1 be paid an additional 1% (one per cent) to the monthly standard rate of pay (as envisaged in clause 2.1 above) for Year One of this Agreement in consideration for agreeing to, and working, the new shift arrangements as envisaged in the New Shift Arrangements Agreement. This will result in an increase to the monthly standard rate of pay of 6.5% (six and one half per cent) for Year One of this Agreement.

2.3.2 be paid an additional 1% (one per cent) to the monthly standard rate of pay (as envisaged in clause 2.1 above) for Year Two of this Agreement in consideration for agreeing to, and working, the new shift arrangements as envisaged in the New Shift Arrangements Agreement. This will result in an increase to the monthly standard rate of pay of 6.5% (six and one half per cent), or CPI ~~plus 1% (one per cent)~~ (whichever is the greater) for Year Two of this Agreement.

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2.3.3 be paid an additional 1% (one per cent) to the monthly standard rate of pay (as envisaged in clause 2.1 above) for Year Three of this Agreement in consideration for agreeing to, and working, the new shift arrangements as envisaged in the New Shift Arrangements Agreement. This will result in an

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increase to the monthly standard rate of pay of 6.5% (six and one half per cent), or CPI ~~plus 1% (one per cent)~~ (whichever is the greater), for Year Three of this Agreement.

2.3.4 The wage increase set out in this agreement remains in place irrespective of amendment to the shift arrangement agreement.

2.4 Calculation of CPI for purposes of determining the increases on standard rate of pay to be implemented in Year 2 and Year 3 of this agreement.

2.4.1 "CPI" is the Consumer Price Index, indicating monthly or annual headline consumer inflation rate published from time to time by Statistics South Africa (STATSSA) and broadly accepted as an economic inflation indicator.

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

2.4.2.1 the average CPI rates provided by STATSSA for the months of July 2018 to June 2019 will constitute the CPI figure to be taken into account for any CPI linked increments that must be implemented for Year 2.

2.4.2.2 the average CPI rates provided by STATSSA for the months of July 2019 to June 2020 will constitute the CPI figure to be taken into account for any CPI linked increments that must be implemented for Year 3.

3 LIVING-OUT ALLOWANCE

The Company will increase the current Living-out Allowance as follows:

3.1 R 100.00 (one hundred Rand) from 1 September 2018;

3.2 a further R 100.00 (one hundred Rand) from 1 September 2019; and

3.3 a further R 100.00 (one hundred Rand) from 1 September 2020.

4 PROVIDENT FUND

The Company will engage, during the first quarter of 2019, at company level on the possibility of the introduction of IGULA or any other provident fund as an additional retirement fund option. The engagements will take into account, financial considerations, all applicable legislation, compliance issues and the interests of employees, and should be concluded by the end of the 2nd quarter 2019, or soon thereafter.

5 WELLNESS ISSUES

5.1 **Medical incapacity benefit**

The Company will incrementally increase the current minimum medical incapacity benefit of R 55 000.00 (fifty-five thousand Rand) to R 60 000.00 (sixty thousand Rand) over a 3 (three) year period as follows:

5.1.1 R 1 500.00 (one thousand five hundred Rand) on 1 July 2018;

5.1.2 a further R 1 500.00 (one thousand five hundred Rand) on 1 July 2019; and

5.1.3 a further R 2 000.00 (two thousand Rand) on 1 July 2020.

5.2 The Company agrees that employees who are in a Section 20 appeal process will remain in service until the appeal process is finalised.

5.3 Medical aid contributions

5.3.1 In the 2011 – 2013 Gold Wage Agreement the Company agreed to change the medical aid contribution rates of 50% (fifty per cent) for employers and 50% (fifty per cent) for individual employees to 60% (sixty per cent) for employers and 40% (forty per cent) for Category 4-8 employees for a period of five years from the date of the wage agreement. This concession was extended for the period covered by the 2015 - 2018 agreement.

5.3.2 The Company will further extend the concession with regard to the 60/40 split in respect of Category 4 – 8 employees joining a medical scheme, for the duration of this wage agreement.

6 MATERNITY BENEFITS

6.1 The Company continue to give female employees four months' paid maternity leave in accordance with its policies. Female employees will have the option of spreading the four months' paid maternity leave proportionally over a period of six months.

6.2 Where female employees are still experiencing delays in accessing the UIF maternity benefit, the Company will, in consultation with the unions, approach the UIF to explore ways to facilitate the timeous processing of maternity benefit claims.

7 MINIMUM SEVERANCE PAY

7.1 In the event of retrenchments, the Company will pay severance pay of 2 (two) weeks' basic pay for each completed year of continuous service.

7.2 The Company will incrementally increase the current guaranteed minimum severance pay of R 30 000.00 (thirty thousand Rand) to R 40 000.00 (forty Rand) over 3 (three) years as follows:

7.2.1 by R 3 000.00 (three thousand Rand) from 1 July 2018;

7.2.2 by a further R 3 000.00 (three thousand Rand) from 1 July 2019; and

7.2.3 by a further R 4 000.00 (four thousand Rand) from 1 July 2020.

8 FUNERAL BENEFITS

8.1 Category 4 – 8 - Mineworkers Provident Fund

Within 30 days of the signing of the wage agreement, the Minerals Council will address a written request on behalf of the parties, to the Board of Trustees of the Mineworkers Provident Fund to consider a review of the current funeral benefit within the ambit of current premiums.

8.2 Miners, Artisans and Officials - RMA

Within 30 days of the signing of the wage agreement, the Minerals Council will address a written request on behalf of the parties, to Rand Mutual Assurance (the RMA) to consider a review of the current funeral benefit within the ambit of current premiums.

9 MEAL INTERVAL ALLOWANCE

The Company will increase the current meal interval allowance to R 120.00 (one hundred and twenty Rand) per month.

10 SERVICE INCREMENT FOR OFFICIALS

The Company agrees to a 0.5% annual service increment for Officials, as from 1 July 2019. Company will engage at company level on the practical implementation.

11 UPGRADE OF CATEGORY 4 SUPERVISORS

The Company will upgrade Category 4 Supervisors to Category 5.

12 HEALTH AND SAFETY / PRODUCTION BONUS LINK

The parties will participate in any joint task team established by the Minerals Council and the Unions in order to consider whether there is any link between health and safety and the production bonus system, subject to terms of reference being agreed between the Minerals Council and the Unions.

13 MOURNING OF FATALITIES

13.1 The Company will ensure that its policies and practices regarding the mourning of fatalities are implemented and adhered to.

13.2 The Company will provide two busses, if and when required, to transport co-workers to funerals of employees whose deaths arose from a "mining fatality".

14 TRAVEL INSURANCE FOR EMPLOYEES

Any employee travelling in company arranged transport or to company approved events will be insured. This insurance will provide for a death benefit as well as a disability benefit.

15 CONTRACTORS

Subject to the same exemptions that may apply to the Company, the Company commits to the principle that contractors should comply with minimum conditions of employment legislation and, where applicable, with sectoral determinations. Contractors will be required to comply with applicable legislation, including the Labour Relations Act, the Employment Equity Act, the Basic Conditions of Employment Act, the Unemployment Insurance Act and the Mine Health and Safety Act.

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

The Unions hereby pledge their support for an application by the Company for a determination to vary, for the period 1 October 2018 to 30 September 2021, the following provisions of the BCEA insofar as they apply to the Company:

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 and 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 SETTTLEMENT 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 the issues of wages, terms and conditions of employment, for the period from 1 July 2018 to 30 June 2021. Wages and conditions of employment that are not amended by this Agreement will continue to apply.

17.2 Subject to the provisions of this Agreement, no party to this agreement, or other person or entity bound by this Agreement, shall, in respect of the period 1 July 2018 to 30 June 2021, seek to vary, review or negotiate wages and/or other terms and conditions of employment save for the renewal of the provisions regulating to the averaging of working hours contained in the New Shift Arrangements Agreement.

17.3 No party to this Agreement, or any other person or entity bound by it, will call for, encourage, or participate in any strike or lock-out in respect of any demand having cost implications for the Company, or in respect of any demand or proposal to amend wages or other conditions of employment, for the duration of this Agreement.

17.4 All parties to this Agreement, as well as all other persons and entities bound by it, will respect and adhere to this Agreement as well as to all other existing terms and conditions of employment. No one will endeavour to open negotiations on wages, terms and conditions of employment or benefits.

17.5 The Parties to this Agreement, as well as all other persons and entities bound by this Agreement will take such measures as may be reasonable, to ensure compliance with this clause 18.

18 DISPUTE SETTLEMENT

In the event of any dispute between a Union or Unions on the one hand, and the Company on the other (the parties to the dispute) about the interpretation or application of this agreement, including any Annexure thereto, the following shall apply:

18.1 A Union or the Company must formally declare a dispute in writing and submit this to the other party or parties to the dispute. The document must set out what issue or issues is/are in dispute. The parties shall then convene at least 3 (three) meetings in an attempt to resolve the dispute.

18.2 Should the procedure mentioned in clause 18.1 fail to resolve the dispute, either party shall have the right to refer the dispute to 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 Commission for Conciliation, Mediation and Arbitration to make a suitable appointment.

18.4 Should the issue in dispute between the Company and a Union also impact on another Union that is party to this Agreement or bound by it, the Company shall be entitled to invite the other Union to participate in this dispute resolution process. If the other union accepts this invitation it will become a party to the process.

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

19 EXTENSION OF THE AGREEMENT

19.1 The Minerals Council, acting on behalf of the Company, and the Unions party to this agreement further agree that this Agreement shall, by virtue of the provisions of section 23(1)(d) of the Labour Relations, Act 66 of 1995 be extended to and bind all employees of the employer who are not members of the Unions that are party to this agreement and who are employed in the abovementioned recognition units in the workplace of the Company.

19.2 It is hereby recorded that the Unions party to this agreement collectively have as their members the majority of employees employed in the workplace of the Company.

Signed at JOHANNESBURG on this 17TH **day of** SEPTEMBER **2018**

For and on behalf of AMCU:

Name: Joseph **Signature:** ____________

Name: JIMMY **Signature:** ____________

For and on behalf of NUM:

Name: K.D. SIPUNZI **Signature:** ____________

Name: K C TEISI **Signature:** ____________

NKC

NJCG.

For and on behalf of UASA:

Name: Nico van Rooyen **Signature:** ____________________

Name: Johnny White **Signature:** ____________________

For and on behalf of SOLIDARITY:

Name: RIAAN VISSER **Signature:** ____________________

Name: André J/v Rensburg **Signature:** ____________________

For and on behalf of the MINERALS COUNCIL SOUTH AFRICA acting on behalf of the COMPANY

Name: M. MOTSAMAI **Signature:** ____________________

Name: I. K JACOBS **Signature:** ____________________

ANNEXURE A

EMPLOYEES COVERED BY THE 2018 WAGE NEGOTIATIONS

1. **ANGLOGOLD ASHANTI LTD**, South African region workplace, comprises the following mines and operations, namely:

   Mponeng Mine; TauTona Mine; Savuka Mine; Mine Waste Solutions; Surface Operations West Wits; Surface Operations Vaal River; South African Regional Services; AngloGold Ashanti Health.