

RECOGNITION AGREEMENT

ENTERED BETWEEN

ANGLOGOLD

VAAL RIVER OPERATIONS

(HEREINAFTER REFERRED TO AS "THE COMPANY")

AND

THE NATIONAL UNION OF MINeworkERS

(HEREAFTER REFERRED TO AS "THE UNION")

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INTRODUCTION

1. PREAMBLE

The purpose of this Agreement is to guide the parties in the course of their interactions and to assist in developing and maintaining a healthy relationship. The parties furthermore agree to negotiate any other agreement they may deem necessary and which is within their power to negotiate.

2. SCOPE AND PRINCIPLES

2.1 This agreement shall apply only to AngloGold Vaal River Operations. This agreement shall, furthermore, only apply in respect of employees in the categories for which the Union has been granted recognition at the Chamber of Mines.

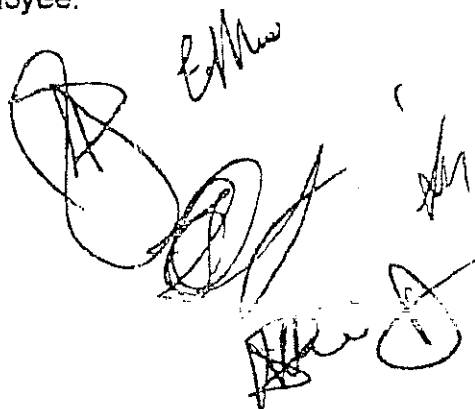
2.2 No person shall be victimised for executing his or her duties.

2.3 The parties commit themselves to harmonious labour relations and to strive for enhanced operational efficiency and job security and declare their joint commitment to the common objectives of the maintenance of industrial peace, the future growth and prosperity of the Company and the equitable treatment of all employees.

2.4 Both parties agree that they will exercise good faith in the execution of this Agreement.

2.5 The Company undertakes to recognise office bearers, committees and structures as set out in this agreement hereunder.

2.6 The Union agrees that the recognition in terms of this Agreement of any member as a Shaft Steward or a member of any Committee or structure shall not be construed as conferring upon such person(s) any privilege or preferential treatment in relation to his position as an employee of this Company, and such Shaft Steward(s) shall be subject in all respects to the same conditions and terms regulating his/her continued employment, or the termination of his/her employment, or any other matter affecting the relationship between him/her and the Company, in the same way as any other employee.

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3. LEVELS

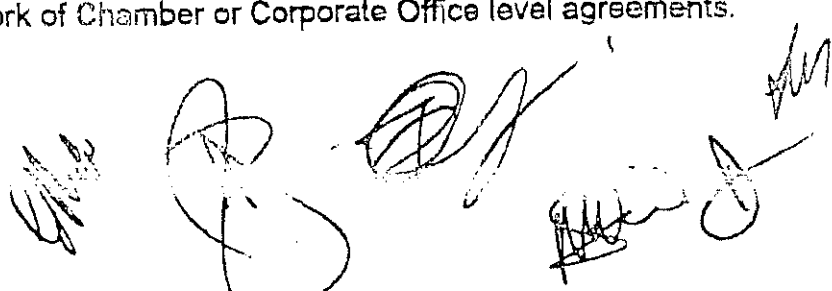
There will be two levels where bargaining will take place, namely, Company level and Mine, Business Services or Metallurgical works level. There will be one committee at Company level and one committee at each Mine, Business Services or Metallurgical Works as they may exist from time to time. The Company level union committee will be called the Branch Committee and Mine, Business Services or Metallurgical Works will be called Shaft Committees. Section Committees may be formed at any of the Mines, Business Services or Metallurgical Works to suit the situation. At the time of the signing of this agreement the following were the Mines, Business Services and Metallurgical Works which each will have a Shaft Committee:

- 3.1 Great Noligwa Mine
- 3.2 Kopanang Mine
- 3.3 Tau Lekoa Mine
- 3.4 Moab Khotsong Mine
- 3.5 Metallurgical Works
- 3.6 Business Services

4. STRUCTURES

4.1 Company Level

- 4.1.1 The Management party will comprise the Labour Relations Department and any Management Official as required by the issues up for discussion, which may include the Mine Managers Operations.
- 4.1.2 The Union party will comprise the Unions' Chairperson, Vice Chairperson, Secretary, Vice Secretary, Treasurer, three Co-ordinators as well as the chairperson of each Mine, Business Services and Metallurgical Works Committee.
- 4.1.3 The Company level will have the following roles and responsibilities:
 - 4.1.3.1 To bargain collectively on terms and conditions of employment for employees in the Mines, Business Services and Metallurgical Works within the framework of Chamber or Corporate Office level agreements.



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- 4.1.3.2 To negotiate agreements on matters set out in Clause 10 hereunder and any other matters as it may deem necessary from time to time. The agreements negotiated at Company level will focus on the creation of **policies and principles**.
- 4.1.3.3 To facilitate in the event of disputes at Mine, Business Services or Metallurgical Works Level
- 4.1.3.4 To mandate negotiators of agreements at Mine, Business Services or Metallurgical Works Level, to monitor the implementation of such agreements and to co-ordinate actions taken in terms of these agreements.
- 4.1.3.5 The parties to the Company level will each separately ensure that they have proper internal mechanisms in respect of co-ordination, monitoring and mandating referred to in 4.3.4 above.

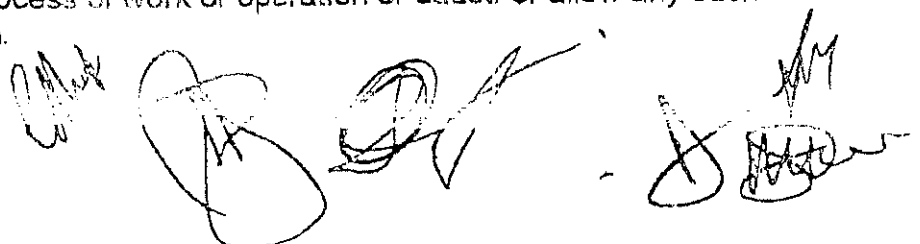
4.2 Mine/Business Services/Metallurgical Works Level

- 4.2.1 The Management party will comprise the Mine Manager, Mine Personnel Manager and such other management officials as may be required by the issues under discussion. In the case of Business Services, the management delegation will be led by the Manager Business Services. In the case of Metallurgical Works it will be the Manager Metallurgy.
- 4.2.2 The union party will comprise the NUM Shaft Committee.
- 4.2.3 The agreements negotiated at Mine, Business Services or Metallurgical Works level will focus on the creation and implementation of **procedures and actions** which are to give effect to the **policies and principles** negotiated at Company level.
- 4.2.4 The parties to the Mine, Business Services or Metallurgical Works level will adhere to the principles and policies laid down at Company level.

5. OFFICE BEARERS

Any union member elected to any position where he or she exercises authority or control over any other employees will not, save where it is done in terms of any binding agreement:

- 5.1 Countermand any lawful instruction.
- 5.2 Disrupt or retard any process of work or operation or cause or allow any such disruption or retardation.



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6. NUMBER OF SHAFT STEWARDS

The number of Shaft Stewards will be determined at Mine, Business Services or Metallurgical Works level.

7. CO-ORDINATORS

- 7.1 There will be three co-ordinators who will report to the Personnel Manager (LR).
- 7.2 Their roles and responsibilities will be, but not limited to:
- 7.2.1 Do capacity building of Shaft Stewards and workers in general.
- 7.2.2 Do implementation and co-ordination of the implementation of the restructuring process and the creation of understanding in respect of these structures.
- 7.2.3 See to the day to day running of union business.
- 7.2.4 Monitor the implementation of agreements and ensure that workers understand these agreements and negotiated conditions of employment.
- 7.2.5 Review RDRC cases at Company level where necessary or applicable.
- 7.2.6 Form part of the negotiating team at Company level.
- 7.2.7 Serve as communication link between Management and the Union.
- 7.3 The provisions of Clauses 8.6, 8.7 and 8.8 will *mutatis mutandis* apply to the Co-ordinators.

8. FULL TIME SHAFT STEWARDS

- 8.1 There will be one full time steward each for Great Nologwa Mine, Kopanang Mine, Tau Lekoa Mine, Moab Khotsoeng, Business Services and Metallurgical Works. They will report to the Personnel Managers at that level.
- 8.2 The Full Time Shaft Stewards will be members of the relevant Shaft Committees.
- 8.3 The Full Time Shaft Stewards shall not, in the performing of his/her functions or duties, enter any working place without the approval of the Supervisor responsible for the said working place, which approval shall not be unreasonably withheld and he/she shall in no way discourage an employee from performing his/her normal duties.

8.4 Their functions will include:

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- 8.4.1 To liaise with Management to promote industrial peace.
- 8.4.2 To consult with Management at appropriate levels for the purpose of promoting co-operation and understanding.
- 8.4.3 To advise, assist and train part time Shaft Stewards and Union members on grievance and disciplinary procedures, agreements and conditions of employment.
- 8.5 Their duties will include:
- 8.5.1 To train other Shaft Stewards.
- 8.5.2 To form part of the Union negotiating team at Shaft level.
- 8.5.3 To promote, through discussion with the appropriate level of management, co-operation and understanding in order to resolve disputes. The Full Time Shaft Stewards shall not, in this regard, bypass *inter alia* existing disciplinary, grievance and dispute procedures.
- 8.6 The following conditions will pertain to the employment of the Full Time Shaft Steward:
- 8.6.1 The Full Time Shaft Steward shall, subject to the provisions of this and other agreements, at all times observe and be bound by their terms and conditions of employment with the Company.
- 8.6.2 The Company shall pay a Full Time Shaft Steward the wage of a Group 8500.
- 8.6.3 Subject to the provisions of Clause 8.6.2, a Full Time Shaft Steward shall not qualify for allowances and bonuses specifically related to his/her previous occupation. Allowances received in terms of general conditions of employment will not be affected.
- 8.6.4 The basic salary of a Full Time Shaft Steward shall be increased in the same manner as would have been the case had he/she continued to perform the occupation in which he/she was employed immediately prior to his/her recognition as a Full Time Shaft Steward in accordance with any general increases which may be awarded.
- 8.7 A Full Time Shaft Steward shall cease to be recognised as such:
- 8.7.1 On termination of employment with the Company, or
- 8.7.2 Upon official notification from the Union to the Company that the employee concerned is no longer a representative of the Union, or
- 8.7.3 If the Steward is considered to be in breach of the provisions of this or any other



applicable agreement between the Union and the Chamber of Mines or the Union and the Company or have misconducted him or herself in any other way. This will be effected by notification to the Branch Committee Secretary followed by a meeting with the Vaal River Operations Branch Committee. On conclusion of this meeting a written notice will be given to the affected Full Time Shaft Steward, or

8.7.4 After the expiry of his/her term of office, which will be a period of four years, or

8.7.5 Upon the termination of this agreement.

8.8 The Company will provide Full Time Shaft Stewards each with office accommodation, and facilities as agreed to from time to time.

9. PROCEDURAL MATTERS

The parties will negotiate agreements at Company level which set out the policies and principles pertaining to the matters set out in Clause 10 hereunder. The Mines, Business Services or Metallurgical Works will negotiate on procedures and actions to give effect to these agreements.

10. MATTERS TO BE NEGOTIATED ON:

10.1 Picketing

10.2 Protest marches

10.3 Orderly shut down/start up

10.4 Dispute Resolution

10.5 Industrial Action

10.6 Essential Services

10.7 Duties of Marshals

10.8 Any other matter that may be agreed upon

11. DISPUTE RESOLUTION

Any dispute concerning the interpretation or application of this agreement will be dealt with in terms of the agreement on dispute resolution procedure in force between the parties

12. AMENDMENTS, TERMINATION AND SIGNATORIES

12.1 AMENDMENTS

12.1.1 Any part of the Agreement may be re-negotiated and amended by mutual consent at any time and such amendments shall be recorded in writing.

12.1.2 Agreements between the Chamber and the union will take precedence over any agreements reached at Company, Mine, Business Services or Metallurgical Works level.

12.2 TERMINATION OF AGREEMENT

This agreement shall only be terminated:

12.2.1 By the party wishing to terminate it if that party has exhausted the applicable dispute resolution procedure agreed to by the parties.

12.2.2 Upon three months written notice given by either party to the other.

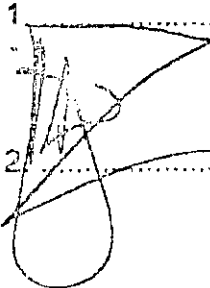
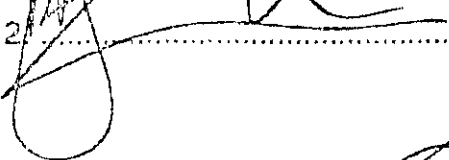
12.2.3 By mutual agreement by the parties.

13. SIGNATORIES

SIGNED AT ANANDA ON THIS THE 17TH DAY OF JUNE 1998.

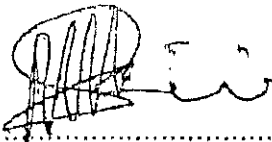
FOR AND ON BEHALF OF THE COMPANY 

AS WITNESSES:

1.  Alan
2. 

FOR AND ON BEHALF OF THE UNION 

AS WITNESSES:

1. 
2. 