

Brief from Martin & Benford

1 November 2018

NUM issues notice of intention to strike



Dear Colleagues

Yesterday afternoon the NUM served the Company with formal notice to embark upon a strike on 2 November 2018 at 17H00 to protest the current retrenchments. We respect the laws that allow for a peaceful, legal strike, but we are very concerned about the impact that industrial action will have on the mine - and on our employees.

As you know South Deep faces extreme challenges. As communicated many times, we have resorted to forced retrenchments only after having implemented numerous interventions over many years to make South Deep profitable and sustainable.

A strike is not going to change the fact that South Deep faces these challenges or that we, regrettably, have to retrench approximately 1,100 employees and reduce the number of contractors by approximately 420.

A strike won't solve any of our problems – in fact it could make them worse. The jobs of those employees who were not affected by retrenchments, will now also be placed in jeopardy.

As you know, the 'no work, no pay' principle applies to the strike – for every day that the strike continues, employees will on average lose the following earnings:

Grade	Loss in earnings per day
A4	R500
B1	R550
B2	R600
B3	R640
B4	R700
C1	R870
C2	R1 200
CU	R1 300

There will also be further losses to employees, as the company will recover contributions it is making on employees behalf during the strike, which includes medical aid, company housing, insurances and so on.



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We are also gravely concerned about the potential for the strike to negatively impact our people who choose not to strike. Every employee needs to be aware of the following important points regarding a strike:

1. You have the right to choose whether you want to strike or not – no one can intimidate you to force you to strike.
2. You have the right to work – no one can prevent you from doing so
3. You must respect the rights of anyone who cannot – or does not wish – to strike
4. All people who participate in a strike must act in a peaceful, orderly manner, and respect the law and company rules

If you feel that your rights are not being respected, if you are being intimidated or forced to strike, or if you feel threatened or unsafe in any way you must report it to South Deep Security:

- 011 1024
- 011 411 1662
- 083 650 0995

Anyone found guilty of violence or intimidation during the strike will be dismissed, and where applicable criminal charges will also be instituted.

Throughout this process we have engaged extensively with organised labour. We have repeatedly called on the NUM to act in the best interests of the mine and its people, and to work with us to build a successful, sustainable South Deep that will benefit employees, communities and the country as a whole.

We are working to save 3,500 jobs and get South Deep to sustainably contribute to South Africa. We need you to work with us to achieve this goal.



Martin Preece
EVP: South Africa



Benford Mokoatle
VP: South Deep



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