

COLLECTIVE AGREEMENT

Between

**PRAIRIE MINES & ROYALTY LTD.
POPLAR RIVER MINE**

- AND -

**THE INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS
LOCAL UNION 2067**

Effective

**December 1, 2010
to
November 30, 2013**

TABLE OF CONTENTS

ARTICLE	PAGE
Preamble.....	
ARTICLE 1 - Scope and Recognition.....	
ARTICLE 2 - Management Rights.....	
ARTICLE 3 - Employee Definitions.....	
ARTICLE 4 - Union Security.....	
ARTICLE 5 - Check-Off.....	
ARTICLE 6 - Leaves of Absence.....	
ARTICLE 7 - Union Representatives and Committees.....	
ARTICLE 8 - Grievances and Disputes.....	
ARTICLE 9 - Suspension and Dismissal.....	
ARTICLE 10 - Seniority.....	
ARTICLE 11 - Staff Reduction and Recall.....	
ARTICLE 12 - Vacancies and New Positions.....	
ARTICLE 13 - Occupational Injury and Compensation.....	
ARTICLE 14 - Safety and Health.....	
ARTICLE 15 - Holidays.....	
ARTICLE 16 - Annual Vacations.....	
ARTICLE 17 - Payment of Wages.....	
ARTICLE 18 - Regular Hours of Work.....	
ARTICLE 19 - Overtime Pay.....	
ARTICLE 20 - Call-Out.....	
ARTICLE 21 - Classifications and Rates of Pay.....	
ARTICLE 22 - Travel and Subsistence.....	
ARTICLE 23 - Differentials.....	
ARTICLE 24 - Temporary Cessation of Work.....	
ARTICLE 25 - Reporting Time.....	
ARTICLE 26 - Voting Time.....	
ARTICLE 27 - Court Duty.....	
ARTICLE 28 - Pension Plan.....	
ARTICLE 29 - Health & Welfare.....	
ARTICLE 30 - Notice Boards.....	
ARTICLE 31 - Protective Clothing.....	
ARTICLE 32 - Severance Pay.....	
ARTICLE 33 - Supply of Agreements.....	
ARTICLE 34 - Wash-up Time.....	
<u>ARTICLE 35</u> – Contracting Out.....	
<u>ARTICLE 36</u> – Duration of Agreement.....	

SCHEDULE & APPENDIX

MINING JOB TYPE AND RATES OF PAY

APPENDIX "A" - Shift Exchange Guidelines

APPENDIX "B" - Wage Maintenance

APPENDIX "C" - Volunteer Work Program.....

LETTERS OF AGREEMENT

LETTER OF AGREEMENT - Training Policy on the Indentureship of Apprentices .

LETTER OF AGREEMENT - 5 Year Clause Application of Clause 12.15.....

LETTER OF AGREEMENT - Substitution

LETTER OF AGREEMENT – 100T and 35T Crane

LETTER OF AGREEMENT - Long Term Disability Benefits

LETTER OF AGREEMENT – Farming (Seasonal).....

LETTER OF AGREEMENT – Accumulation of Vacation and Statutory Holidays.....

LETTER OF UNDERSTANDING - New Employee Orientation.....

LETTER OF UNDERSTANDING – Commitment to Competitive Advantage

LETTER OF UNDERSTANDING - COLA

SUBSTITUTION FLOW CHART

If employees require information on matters such as:
Clothing Policy - they should inquire with their supervisor.

SI Symbols used in this Agreement:

<u>SYMBOL</u>	<u>UNIT</u>
min	minute
h	hour
d	day
a	year
m	metre
km	kilometre
CEIC	Canada Employment Insurance Commission

This Agreement made this 29th day of June, 2011

BETWEEN:

**PRAIRIE MINES & ROYALTY LTD., POPLAR RIVER MINE
(hereinafter referred to as the Company)**

OF THE FIRST PART

- AND -

**LOCAL UNION 2067, THE INTERNATIONAL
BROTHERHOOD OF ELECTRICAL WORKERS,
(hereinafter referred to as the Union)**

OF THE SECOND PART

PREAMBLE

Whereas it is the desire of both parties to this Agreement to maintain harmonious relations and settled conditions of employment, to promote co-operation and understanding between the Company and its employees, and recognizing the mutual value of joint discussions and negotiations on all matters pertaining to working conditions, hours of work and rates of pay, the parties hereto do hereby enter into, establish, and agree to the following terms.

ARTICLE 1 - SCOPE AND RECOGNITION

1.01 This Agreement shall apply to those employees of the Company who are within the Bargaining Unit defined in Orders issued by the Labour Relations Board of Saskatchewan (L.R.B. File #089-06) dated 4th July, 2007 and who are employed in the classifications set forth in the Schedule to this Agreement.

Existing classifications may be excluded from or additional classifications may be added to the Bargaining Unit and schedules by either agreement between the Company and the Union, or by order of the Labour Relations Board of Saskatchewan.

1.02 The Company recognizes the Union as the sole Bargaining Agent for those employees of the Company to whom this Agreement applies.

1.03 The words "employee" or "employees" where hereinafter used shall mean any person or persons covered by this Agreement.

1.04 In this Agreement and in classifications designated herein, any words importing the masculine gender include female persons and any words importing the female gender include male persons.

1.05 It is agreed that management staff will not perform work that is normally only done by in-scope employees. The only exceptions will be cases of emergency nature where it may be necessary for management staff to take immediate corrective actions or in cases where hands-on training is involved.

- 1.06** Where the business or part thereof, is sold, leased, transferred or otherwise disposed of, which results in the transfer of any Employee covered by this Collective Bargaining Agreement, to the purchaser, Prairie Mines & Royalty Ltd. shall, as a condition of the sale, through the agreement in writing with the person(s) acquiring the business or part thereof, assure the said person(s) are bound by the Collective Bargaining Agreement and the Collective Bargaining Agreement shall continue as if the business or part thereof had not been disposed of. The Collective Bargaining Agreement will be deemed to apply to the person(s) acquiring the business or part thereof to the same extent as if the agreement had originally applied to them or the agreement has been signed by them.

ARTICLE 2 - MANAGEMENT RIGHTS

Except as specifically abridged, delegated, granted, or modified by this Agreement, or any supplementary agreements that may hereafter be made, all of the rights, powers, and authority the Company had prior to the signing of this Agreement are retained by the Company and remain exclusively and without limitation within the rights of the Company.

It is agreed, prior to any changes affecting the employees, that the past practices of the Company in discussing changes with the Union will continue.

ARTICLE 3 - EMPLOYEE DEFINITIONS

3.01 PROBATIONARY EMPLOYEE is an employee who has not completed 90 days on the job with the Company as either a Regular employee or a Seasonal employee as defined in Clauses 3.02 and 3.03, respectively (no seniority).

3.02 REGULAR EMPLOYEE is an employee who is appointed to a year-round (permanent) position and has completed 90 days on the job with the Company in such a position or in a position described in Clause 3.03.

3.03 SEASONAL EMPLOYEE is an employee who is appointed to a position subject to temporary lay off because of seasonal conditions and/or varying work loads and has completed 90 days on the job in such position or in a position described in Clause 3.02.

3.04 PROJECT EMPLOYEE is an employee who is hired for a specific project. Such employee shall be considered to be a probationary employee if he/she has not completed 90 days on the job with the Company as a Project employee. Such employee shall remain as a project employee for the duration of employment with the Company, or until Regular or Seasonal status is obtained through job bidding procedures. (No seniority) "Project" is defined as a specific undertaking for which a completion date can be reasonably predetermined and for which staff in addition to normal complement is required. It is agreed that when a project employee is hired for a period in excess of 10 working days, the Company will, without undue delay, notify the Union of the employee's name, location, the expected duration of the project and the nature of the project.

NOTE:

1. For the purposes of this Article, it is understood that an employee hired for temporary relief shall be considered a "project employee" and such relief shall normally be required for reasons of:

- i) Vacation leave.
 - ii) Absenteeism of abnormal duration resulting from sickness, occupational injury, or leaves of absence.
 - iii) Abnormal vacancies resulting from job appointments or staff terminations.
 - iv) Temporary vacancies (those in excess of 5d resulting when regular staff are attending training courses).
2. 8h Project employees employed for 10 consecutive regular working days or less will be paid at their regular rate of pay for all hours worked up to 8h/d and will not earn time for days off. When employed for periods in excess of 10 consecutive regular working days, they will be scheduled to work such that they earn days off.
- 12h Project employees employed for 10 consecutive regular working days or less will be paid at their regular rate of pay for all regularly scheduled hours worked up to 12 h/d and will not earn time for days off. When employed for an unbroken period in excess of 84 regular working hours, they will be scheduled to work such that they earn days off.

ARTICLE 4 - UNION SECURITY

- 4.01** Every employee, who is now or hereafter becomes a member of the Union, shall maintain membership in the Union as a condition of employment, and every new employee, whose employment commences hereafter, shall, within 30d after the commencement of employment, apply for and maintain membership in the Union as a condition of employment.
- 4.02** It shall be the responsibility of the Union to notify the Company of any employees who have not become members of the Union in accordance with the terms of this Agreement.

ARTICLE 5 - CHECK-OFF

- 5.01** At the request of the Union, the Company shall deduct out of the wages due to the employee, the standard Union dues of the employee and remit the amount so deducted to the Financial Secretary of the Union not later than the 10th day of the month following such deduction, accompanied by a list of employees on behalf of whom such deductions have been made. The amount of such Union dues shall be certified to the Company by a responsible officer of the Union.
- 5.02** The Company agrees to supply to the Union monthly a list of the names of employees who were hired, transferred, laid off, or terminated, not including those who were hired for less than 7d.

ARTICLE 6 - LEAVES OF ABSENCE

- 6.01** Upon written request of the Union (with 30d notice) leave of absence, for a period not to exceed 3a, without pay but with maintenance and accumulation of

seniority shall be granted to a maximum of 2 employees for the express purpose of becoming the Business Manager and/or Assistant Business Manager of the Union. In each case, the Company shall continue Pension and Insurance benefits for the employee during leave of absence and the Union will pay to the Company all amounts required to continue such coverage. Upon return from such leave of absence, the employee will be returned to work in a vacancy in the classification he held prior to the commencement of his leave, and failing a vacancy, the employee may exercise his rights as per Article 11.

- 6.02** Union requests for leaves of absence without pay but with maintenance and accumulation of seniority rights for purposes of conducting Union business, other than that referred to in Clause 6.01, may be granted by the employee's out-of-scope supervisor for such periods of time (not to exceed 2 months) as may in the opinion of the Company, be considered reasonable and permissible under operations. In the event that problems occur with the employee's out-of-scope supervisor, the Union may contact the General Manager for clearances. Employees on such leave shall continue to be covered by all provisions of this Agreement, and the Company will continue to pay the employee at the regular rate of pay and the Union will pay to the Company an amount equal to such regular rate of pay when billed.
- 6.03** Maternity Leave, Adoption Leave, and/or Parental Leave shall be granted in compliance with the applicable provisions of the Saskatchewan Labour Standards Act.

Failure to return to work immediately after expiration of the leave shall result in automatic termination of employment unless, prior to the expiration of the leave, the employee produces proof of having medical complications in which case an extension of the leave will be considered.

- 6.04** Any employee desiring leave of absence other than referred to in Clauses 6.01, 6.02, and 6.03, without pay, may be granted leave insofar as regular operations will permit, providing reasonable notice is given to the Company. Such leave of absence shall not exceed what, in the opinion of the Company, is a reasonable period of time and the conditions of such leave, when granted, shall be at the discretion of the Company, except that seniority will not accumulate during such leave unless the Company and Union mutually agree otherwise. The Company will inform the Union of the conditions of such leave of absence.
- 6.05** Special leaves of absence, with pay and with maintenance and accumulation of seniority rights, may be granted at the discretion of the Company in cases of pressing emergency. Payment for such leaves will be 100% of the employees regular daily earnings.
- 6.06** When a death occurs in the employee's immediate family (father, mother, father-in-law, mother-in-law, spouse, common-law spouse, brother, sister, son, daughter, grandfather, grandmother, grandmother-in-law, grandfather-in-law, grandchildren, brother-in-law, sister-in-law and other relatives who regularly reside with the employee) bereavement leave of absence, if required by the employee, will be granted such that, effective the date of death, up to 3 working days (24h) will be granted the employee as bereavement leave of absence with pay. Up to one additional calendar day (8h) will be granted as travel time, if required by the employee, immediately following the date of the funeral, without loss of regular pay.

6.07 Should a death occur in the employee's immediate family (as described in Clause 6.06) while the employee is on vacation leave, and the employee provides suitable notification of the death to the supervisor and requests bereavement leave, the employee will be granted up to 4 consecutive calendar day (32h) bereavement leave of absence if required, and the employee will be credited with vacation credits for those days on which the employee would have used vacation leave. Such vacation credits must be rescheduled.

6.08 i) In order to attend a funeral of a close friend, fellow employee, or a relative, other than specified in Clause 6.06 above, bereavement leave of absence, if required by the employee, will be granted up to a maximum of 1d (8h) as bereavement leave of absence with pay.

ii) Prior to the commencement of a vacation period, and subject to Article 6.08(i), an employee may change scheduled vacation to bereavement leave.

iii) Employees may request to change a vacation day to a bereavement day, as defined under Article 6.08, prior to the commencement of their vacation period.

Employees whose vacation period has commenced will not be eligible to reschedule vacation time for bereavement leave taken in accordance with Article 6.08 (i).

6.09 i) When employees are absent from work on approved short-term leaves of absence, only the regular working day that they would have been required to work had they not been on leave will be counted as leave of absence and, upon expiration of their leave, they will observe the first earned day off that they would have earned had they worked and not gone on leave of absence. For this purpose a short-term leave of absence is defined as:

a) leaves for Union business;

b) special leaves granted under provisions of Clause 6.05 of the Collective Bargaining Agreement.

For the purposes of reimbursement of wages or recovery of wages as referred to in (a) above, hourly or daily rates will be based on daily hour of 8h.

ii) Employees on long-term leaves of absence will not earn time for earned days off while on such leaves. When they return to work following their leave, their earned days off will be scheduled to fit the particular work schedule involved.

6.10 Notwithstanding Clause 6.02, the Company agrees to pay the regular wages for 4 employees, not to exceed 6d per employee, for the purpose of negotiating a Collective Bargaining Agreement between the parties.

ARTICLE 7 - UNION REPRESENTATIVES AND COMMITTEES

- 7.01** The Union shall keep the Company informed, at all times, as to the names of its officers, grievance committee members, negotiating committee members, shop stewards and any other persons who are authorized representatives of the Union for purposes of negotiations and discussion with the Company in matters which are appropriate under the provisions of this Agreement. The Union may also have the services of the International Representatives when negotiating with the Company or when dealing with grievances.
- 7.02** The Company agrees that access to its premises shall be allowed to any representative of the Union for the purpose of conducting Union business, provided such privilege shall not interfere with the operation of the Mine and permission of the General Manager (or any person delegated to grant such permission) is first obtained.
- 7.03** The Rehabilitation Committee will consist of the General Manager, (or his designate), and the Unit Chairman, (or his designate), and shall meet on a case by case basis to discuss matters relating to the rehabilitation of employees.
- 7.04** The Alternate Work Committee will be comprised of two (2) representatives from each of the Company and the Union.
- 7.05** The Company and the Union recognize the need for development of education and training programs as may be required to meet the challenges of a constantly changing work environment, and to promote maximum development of staffing programs.
- A joint Company-Union committee, consisting of 2 members appointed by each party shall meet to discuss training requirements in the workplace. The committee shall meet on a monthly basis unless neither party has supplied the other with an agenda at least 7 calendar days prior to the scheduled meeting date.
- 7.06** The Company agrees that employees shall suffer no loss of pay while engaged in any Company-Union joint committee work, and to reimburse them for reasonable travelling and living expenses incurred when away from the Mine. Members of joint committees shall be allowed reasonable time during working hours when they are required to attend to business arising out of joint committee work, it being understood that in all cases members of the committee requiring time off from regular work must obtain approval from their out-of-scope supervisor.
- 7.07** The Apprenticeship Committee will consist of four (4) representatives two (2) appointed by the I.B.E.W., Local 2067, and two (2) appointed by the Company.
- 7.08** The Employee Family Assistance Program site contacts will consist of four (4) people, two (2) appointed by the I.B.E.W., Local 2067, one (1) appointed by the C.E.P., Local 649 and one (1) appointed by the Company.

ARTICLE 8 - GRIEVANCES AND DISPUTES

8.01 All disputes and grievances will be settled in accordance with the procedures outlined below.

Step 1 Should an employee (or employees) subject to this Agreement feel that any provision of this Agreement has been violated, or that disciplinary actions taken are unjust, the employee may, with the assistance of a Union representative, take the matter up with the designated out-of-scope Supervisor(s) concerned and another out-of-scope Company representative within 10d of the incident. In a formal meeting, they shall discuss the matter fully with the employee and shall, in writing, notify the employee of the decision as soon as possible, but within 2 working days, (exclusive of Saturday and Sunday), following the date the matter was discussed.

Step 2 If the employee does not obtain satisfaction from the action of Step 1 and wishes to proceed further, the employee shall so notify the supervisor with whom the matter was discussed in Step 1 and shall refer the matter to the Grievance Committee of the Union. The Grievance Committee will investigate the circumstances and if it is satisfied that a grievance exists, it shall assist the employee in preparing a written grievance in a form to be submitted to the Department Head, within 10d of the Step 1 decision. The Department Head shall within 10d of receipt of the written submission, arrange for a hearing of the grievance. The Department Head having heard the grievance at this step, shall notify the Grievance Committee in writing of the decision as soon as possible within 10d from the date the grievance was heard.

Step 3 If the employee does not obtain satisfaction from the action of Step 2 and wishes to proceed further, the Grievance Committee may then, within 10d of receipt of the Step 2 decision, refer the grievance in writing to the Manager, Human Resources. He shall within 10d after receipt of such notification, arrange for and attend at a hearing by the General Manager. The General Manager, having heard the grievance, shall render a decision in writing to the Union within 10d from the date the grievance was heard.

Step 4 If the employee does not obtain satisfaction from the action of Step 3 and wishes to proceed further, the Grievance Committee, on behalf of the employee, may then within 10d from receipt of the Step 3 reply, notify in writing the Manager, Human Resources that the grievance is being submitted to arbitration.

i) Within 10d of receipt of such notification the Company and Union shall exchange the name of the arbitrator appointed by each party to act as their appointee.

ii) The arbitrator appointed by the Union, together with the arbitrator appointed by the Company, shall appoint a third arbitrator, but if within 10d, they fail to agree upon the appointment of the third arbitrator, a Judge of the Court of Queens Bench of the Province of Saskatchewan will then be asked to appoint such third arbitrator and, in any case, the third arbitrator shall be the Chairperson of the Board of Arbitration.

- iii) The Board of Arbitration shall meet and hear evidence from both sides and give a decision on the matter within 21d after completion of the hearing of the evidence. The decision of the majority of the members of the Board of Arbitration or, in the absence of a majority decision, the decision of the Chairperson shall be final and binding upon both parties.
- iv) Each party shall bear its own expense with respect to the preparation and presentation of the matter to the Board of Arbitration, including the cost of their respective appointees to the Board, and both parties shall bear equally the fees and expenses of the Chairperson of the Board.
- v) The Chairperson shall determine the procedure to be followed at the hearing, but shall in any case give adequate opportunity for each party to be heard.
- vi) The Arbitration Board shall not have the power to alter or amend any provisions of the Collective Agreement.
- vii) In cases where an employee has been suspended, dismissed, or any other penalty has been applied by the Company and the Arbitration Board finds that the penalty was unjust, too severe or contrary to the terms of this Agreement, the Board shall have the power to alter or rescind the penalty. All wages, seniority, and other benefits shall be immediately restored to the employee as per the Board's decision.

8.02 In the event that a grievance hearing at Step 2 or 3 of Clause 8.01 cannot take place within 14d from the date that the Union requested such a hearing and provided there is not agreement between the Company and the Union to delay such hearing, the Union may elect to take the grievance to the next step by so notifying the Manager, Human Resources.

8.03 In the event of a difference of interpretation or application of any provisions of this Agreement between the Company and the Union, the Union may submit a grievance within 10d of the alleged violation by submitting such grievance in writing to the General Manager. Such grievances will commence in accordance with Step 3 of Clause 8.01 and if, following the decision rendered at Step 3, the matter is unresolved, the Union may process the grievance further in accordance with the remaining step of Clause 8.01.

8.04 As far as practicable, all grievances will be dealt with on the Company's time, and no member of the Grievance Committee who is an employee shall suffer loss of pay by reason of time spent in discussing grievances with the representatives of the Company.

However, in the discussion of grievances, employee members of the Union's Grievance Committee shall not exceed 3 in number.

8.05 The Company agrees to pay all necessary reasonable travelling expenses incurred by a member of the Grievance Committee, including board and lodging, when a member is required to attend a meeting which has been called by the Company outside the mine.

- 8.06** It is understood that the normal manner in which a grievance is arbitrated is through a Board of Arbitration. However, the parties may, following mutual agreement and prior to the submission of a grievance to a board of Arbitration, submit a grievance to a single Arbitrator.
- 8.07** Following the submission of a written grievance, all discussions and correspondence between the parties, including settlement offers made on a non-prejudicial basis during this grievance procedure, will be considered as privileged and, as such, will not be used by either party in Step 4 of the grievance procedure.

ARTICLE 9 - SUSPENSION AND DISMISSAL

- 9.01**
- i)** If an employee alleges he has been discharged or suspended without cause, he shall submit his grievance in writing at Step 3 of the grievance procedure within 10d of the date he was advised of the suspension or discharge.
 - ii)** A Union representative will be present when an employee is to be disciplined, suspended or discharged.
 - iii)** All disciplinary action will be recorded and will include the reason(s) for such action. Copies will be provided to the employee, the Union representative present at the disciplinary meeting, and the Union office.
 - iv)** Monies, including pension benefits, but with the exception of outstanding wages, owing to employees who have been discharged will not be paid out if the dismissal has been grieved until the grievance has been resolved, unless the employee has specifically requested the benefits be paid.
- 9.02** It is understood and agreed that by means of written request from an employee to the Manager, Human Resources, arrangements will be made for that employee to view the personnel file maintained under the employee's name, and the employee may request the removal of any detrimental document that has been on file for over 2a.

ARTICLE 10 - SENIORITY

- 10.01** All employees shall retain the seniority credited to them on the Company's seniority records as at the effective date of this Agreement. Their seniority shall continue to accumulate, subject to the conditions of this Article, except that no employee shall have any seniority until becoming either a "Regular" or "Seasonal" employee at which time the seniority shall be retroactive to the date the employee last entered the scope of this Agreement.
- 10.02** An employee's seniority shall not accumulate during:
- i)** A period of lay off except that seasonal employees on a temporary lay off resulting from a temporary reduction of staff shall accumulate seniority to be applicable only for job bidding, lay off and recall purposes.

- ii) That portion of a period of absence resulting from sickness or non-occupational injury, which extends beyond 4a, and in no case shall seniority accumulate for that portion of such absence which extends beyond a period equal to the employee's seniority.
- iii) Leave of absence as granted under the provisions of Clause 6.04 of this Agreement, unless when such leave is granted "accumulation of seniority" is specifically stated as a condition of the leave.

10.03 An employee's seniority shall be lost by reason of:

- i) Dismissal for just cause.
- ii) Voluntary resignation.
- iii) Appointment to a position within another bargaining unit.
- iv) Continuous lay off for a period in excess of one half (1/2) the seniority of the employee at the time of lay off.
- v) Failure to report for work within 7 (seven) calendar days after being notified in writing at the employee's last known address to report following a lay off, or after the termination of a leave of absence unless, in either case, the employee can give satisfactory reason in writing for such failure to report in the time prescribed.
- vi) Three (3) months after the appointment to a permanent management position.

10.04 i) An employee appointed to a permanent management position with the Company shall maintain, but not accumulate, seniority for a period of three (3) months from the date of appointment to such position. After the expiration of the three (3) months the employee's seniority shall be lost as per Article 10.03(vi).

Prior to the expiration of the three (3) months, should an employee subsequently be reverted or reverts himself back to within the Scope of this Agreement, he will be appointed to a Utility Person 1 position and shall recommence to accumulate seniority effective the date the employee resumes his duties within the Scope of this Agreement.

- ii) An employee appointed to a temporary management position with the Company shall continue to accumulate seniority and be entitled to the exercise of such seniority rights as may be applicable to employees within the scope of this Agreement.

Appointments to temporary management position may not be made beyond the first half of a scheduled shift, and are for a 24h period from the start of the shift in which the appointment was made. The rate of pay for an employee who is appointed to a temporary management position shall be set at 25% above the Dragline Operator rate of pay. Overtime worked will be payable at the applicable overtime rate. Such appointments shall be in accordance with the provisions of Article 12.14 (iii).

iii) The Company shall make every reasonable attempt to fill any temporary vacancy created as a result of such appointment, should the appointment exceed three months.

10.05 The Company will, in March of each year, prepare and post rosters in places accessible to all employees, showing seniority and classification titles of all employees as of January 31 of that year. The roster will be open to protest for a period of 30d from date of posting and if employees consider that an error has been made, protest must be made through the regular grievance procedure and upon satisfactory proof of error, a correction shall be made immediately. Any correction shall be shown on a supplementary sheet. The Company will supply the Union with copies of all rosters.

10.06 If employees have equal seniority and meet minimum qualifications, for the purpose of bidding, lay off and recall, the decision will be made by the toss of a coin.

ARTICLE 11 - STAFF REDUCTION AND RECALL

11.01 Permanent Reduction of Staff.

When permanently reducing staff complement, project employees must be released first. If further reduction is necessary Regular, Seasonal and Probationary employees within the job classification affected shall be released in inverse order of seniority.

- i) Probationary and Project employees when released shall be terminated from employment but will be given all due consideration for rehire in the event of work again becoming available.
- ii) Regular employees when released shall be placed on lay off and shall retain seniority rights in accordance with the provisions of this Agreement.
- iii) In the event of a permanent reduction of staff, the following procedure shall be followed:
 - a) The least senior employee(s) in the classification(s) affected will be advised of the reduction, and where a choice exists, will be given 72 hours to select a classification into which he may bump.
 - b) Employees may bump into classifications of an equal or lower pay rate only, provided they have the seniority, ability and qualifications to perform the work in the new classification.
 - c) Employees who are unable to bump laterally or downwards may bump the junior employee in the next highest classification in which they have the seniority, qualifications and ability to perform the work.
 - d) Employees will be considered as qualified in a classification for purposes of this clause if they meet the qualifications of the agreed to Job Descriptions. The Letter of Agreement, "Waiver of Educational and Drivers Licence Requirements" would still apply.

- e) If a vacancy exists in a classification an employee has selected, he must fill the vacant position, and failing a vacancy, he must displace the junior employee in the classification provided he has more seniority than the junior employee.
- f) Employees displaced during this process will, when a choice exists, be given 72 hours in which to select a classification to bump into.
- g) If two or more affected employees select the same classification simultaneously, the displacing employees, in descending order of seniority, may select which of the junior employees they will displace.
- h) For the purpose of this clause, employees who are absent from work will be treated in the same fashion as non-absent employees, and as such, dependent upon their seniority, may be displaced and/or laid off.
- i) The trial period as referenced in Article 12.10(i) will not apply to positions attained by employees during this process.
- j) A Joint Committee consisting of two (2) Management and two (2) Members appointed by the Union shall be formed to administer this clause.
- k) If an employee is unable to be contacted about bumping and no choice is made within 72 hours, and unless the employee has left written notice with the Joint Committee as to his selection preferences, the Joint Committee shall exercise his bumping rights for him in descending order of:
 1. An equal classification (Laterally)
 2. Next lowest classification (Downward)
 3. Next highest classification (Upwards)

(The employee must possess the seniority, qualifications and ability to perform the work.)
- l) Employees who are unable to secure a position, or who chose not to exercise their right to bump, will be laid off, and be provided notice of such in accordance with Saskatchewan Provincial Legislation.

NOTE: For the administration of Article 11.01 (iii) in reference to equal or lower classifications, they shall be determined by the base rates of pay. Differentials do not form part of the base rate.

11.02 Temporary Reduction of Staff.

Temporary reduction of staff may involve only Probationary, Project and Seasonal employees. Regular employees shall not be released as a result of temporary reductions. When temporarily reducing staff complements, employees within the job classification(s) affected shall be released on a seniority basis. Those employees having no seniority (Probationary and Project employees) shall be released (termination of employment) first, and if further

reduction is necessary, Seasonal employees shall be laid off in inverse order of seniority.

Notwithstanding the foregoing, temporary reductions of staff may take place without regard to seniority provided the lay off of the Seasonal employee does not exceed 15 (fifteen) calendar days. Notice of termination of employment and/or lay off shall be issued as far as is reasonably possible in advance of the intended effective date and in any case at least 7 (seven) days notice shall be given when the lay off period is to exceed 6 (six) consecutive days.

11.03 Should the Company determine a requirement to recall those employees on lay off, it will do so in accordance with the following:

- a) employees laid-off will be eligible for recall for the period of time stated in Article 10.03 (iv);
- b) except in cases where it is necessary to take immediate corrective actions, the Company will not initiate a recall of less than 40 hours;
- c) employees will be recalled in descending order of the seniority held at the time of their most recent lay off, subject to the employee having the ability to perform the work in question without any training for a recall of 30 days or less, and having the qualifications to perform the work in question for a recall in excess of 30 days;
- d) qualifications shall be as stated in the agreed upon job descriptions;
- e) should the Company determine that a vacancy exists, and it is anticipated that the vacancy will be in excess of 30 days, the Company will post the position on either a temporary or permanent basis;
- f) the Company may initiate a recall at any time during the posting procedure, but upon completion of the posting procedure, if the recalled employee is unable to secure a bid position, he shall be laid off;
- g) recall for a position of 30 days or less will be made by telephone to the employee's number on record with the Company, and an employee who accepts the recall must report to work no later than 24 hours after being contacted, unless the Company requests the employee to report at a later time;
- h) when attempting to contact employees for a recall of 30 days or less, operational requirements permitting, the call will be made in the presence of a Steward, or his designate, between the hours of 8:00 and 9:00 a.m.;
- i) a failure to report within the 24 hours, or other specified time, will result in the employee forfeiting his right to that recall without prejudice to the Company;
- j) should an employee refuse a recall, be unable to be contacted, or fail to appear at the time requested, the next qualified employee on the recall list will be contacted;

- k) employees may refuse a recall to work of 30 days or less without prejudice to their recall status;
- l) failing to fulfil its requirements on a recall, the Company may fill the vacancy from other sources;
- m) the parties recognize that from time to time the duration of the recall may exceed the anticipated duration, but unless mutually agreed otherwise, there will not be an obligation to recall a more senior employee who did not accept the assignment;
- n) notice of lay off will not be required unless the period of service on any recall is in excess of 90 calendar days;
- o) for periods of work in excess of 30 calendar days, employees will be recalled by a registered letter sent to the employees address of record with the Company, with a copy forwarded to the Union;
- p) in addition to the registered letter, the Company may attempt to contact the employee by telephone;
- q) termination of employment shall occur if the employee either fails to respond within 7 calendar days of the notice being sent, or fails to report for work within 14 days of the notice being sent, unless the employee can provide an explanation of his failure to do so that is acceptable to the Company;
- r) should the Company initiate a recall of employees for a duration in excess of 30 days, during the period allowed an employee to respond and/or report, it may fill the vacant position from the recall list, and failing that from other sources.

11.04 Benefits on Lay off

Employees on lay off will be entitled to the following benefits for 30 calendar days from the date of lay off:

- Dental Coverage
- Extended Health Coverage
- Life Insurance and Accidental Death and Dismemberment.

Entitlement to other benefits, including but not limited to vacations and general holidays, will terminate at the time of lay off.

11.05 Benefits on Recall

Employees recalled to work at Poplar River Mine Will be entitled to the following benefits:

Benefit	DURATION OF RECALL				
	Rplt.	≤30	>30<90	≥90<180	≥180
Vacation Pay	+	+	+	+	+
Pension	-	+	+	+	+
Holidays	+	+	+	+	+
Sick Days	-	-	-	+	+
STD/LTD	-	-	-	+	+
Clothing	-	-	Pr.	Pr.	Pr.
Ext. Health	-	-	-	+	+
Dental	-	-	-	+	+
Life	-	+	+	+	+
AD&D	-	+	+	+	+
Travel	+	+	+	+	+
P.E.	-	+	+	+	+
Seniority Accumulates	-	+	+	+	+

11.06 In the event of the lay off of an employee in respect of whom it is subsequently established that the lay off was not in accordance with the provisions of the Agreement, and provided a grievance has been submitted in accordance with Article 8 of this Agreement, such employee shall be promptly returned to former status in all respects (or to such other positions with the Company that the employee's seniority would entitle the employee to under the terms of this Agreement) and shall be compensated for the net loss of earnings suffered by reason of lay off.

ARTICLE 12 - VACANCIES AND NEW POSITIONS

12.01 When it becomes necessary to fill a permanent position which is within the scope of this Agreement (such position to be hereinafter referred to as "open position") notice of an open position shall be issued by the Company within 7d of the date that it is determined the position must be filled. In the event that the Company decides to delay the refilling of any vacancy that has occurred in a permanent position, notice of the delay shall be issued by the Company within 14d after the vacancy has occurred. However, all permanent positions will be bid within the 7d, if any project employees are presently employed in that classification.

12.02 Notice of an open position shall contain an outline of the position affected, the minimum qualifications required and the rate(s) of pay therefore. Such notice shall remain in effect for a period of at least 10d with the closing date specified thereon; it shall be posted in places accessible to all employees and 2 copies shall be supplied to the Union.

- 12.03** Employees shall be entitled to bid on an open position by means of written applications, in duplicate, 1 copy of which shall be submitted to the Company and the other to the Union. No application shall be considered if postmarked later than the closing date prescribed on the notice.
- 12.04** Project employees who apply for open positions will be considered for the positions applied for provided they have the qualifications and ability for the positions. Except for students on project jobs who were employed only for the period between school terms, all project employees who have been employed for a minimum of 45 calendar days and who have the qualifications and ability required will be appointed to open positions applied for before new employees are hired.
- 12.05** i) Appointment(s) to an open position shall be made on the basis of seniority, qualifications and ability being sufficient. However, applicants who have not completed at least 6 months in their present position, shall not necessarily be considered, unless they have stated good and sufficient reason(s) for applying for a position that does not represent a promotion.
- ii) The Company will continue to assist and Employees will endeavour to obtain the required educational standards and driver's license for their present classification. Employees hired prior to December 1, 1993 will not be disqualified from a bid appointment or bumping opportunity because of either insufficient education or driver's license, unless the position in question is that of an apprentice, in which case the employee must meet the education requirements set out by the Saskatchewan Labour Apprentice and Standards Division.
- 12.06** The name of the successful applicant or the fact that the Company is unable to fill the open position from among its employees shall be posted within 21d following the closing date shown on the posting.
- 12.07** If the Company is unable to fill the position or vacancy from among its employees, or does not appoint the senior applicant, either the Union or senior applicant may, within 7d from the posting of the results of the open position notice, request in writing, reasons for the Company's decision in respect to the awarding of the posting. The Company will respond in writing within a 7d period from the receipt of the written request.
- 12.08** With regard to any new job classifications that may hereafter be created or any existing job classifications that may hereafter be changed, the classification titles and the rates of pay therefore, shall be subject to negotiation and agreement between the Company and the Union.
- 12.09** The Company agrees to notify the Union of any job classification covered by this Agreement which becomes redundant.

If a permanent position which is to become redundant is vacated and it is decided that the position will not be refilled on a permanent basis and after discussion with the Union, it is decided to issue a job bulletin to fill the vacancy on a temporary basis, the estimated duration of the temporary position will be indicated on the job bulletin. Also, the bulletin will indicate that the successful

applicant will have the right to return to his former position after completion of the temporary period.

- 12.10** i) An employee having been appointed to a position within the scope of this Agreement shall be allowed a trial period of up to 60d (480 hrs) in the job in which to prove capable of filling the position concerned. If such employee does not prove capable of filling the position concerned within such time, the employee shall be reverted to the former position provided that if before the expiry of the 60d (480 hrs) it is apparent that such employee is incapable of filling the position, the employee shall be reverted to the former position before such time expires. The trial period may be extended in unusual circumstances, subject to mutual agreement between the Company and the Union.
- ii) Should the employee prove capable of filling the position concerned prior to the expiry of the 60d (480 hrs) period, both the employee and his supervisor will sign a memo to that effect, which must then be endorsed by the appropriate Department Head. A copy of this memo will be provided to the Union. The trial period may not be waived if the employee has not, either temporarily or permanently, previously held the position. The effective date of the termination of the trial period will be no earlier than the commencement of the employee's next regularly scheduled workday.

12.11 The Company agrees to notify the Union of all first-level management positions, to which an appointment is to be made, in order that employees may be afforded opportunity to make application for such positions.

12.12 An employee appointed to a position which has a higher rate of pay will receive the higher rate of pay on the date the employee commences work in the position. The employer will make every reasonable effort to ensure the employee commences work in the position he has been appointed to within 30d following such appointment. In any event the effective date of the increase shall not be in excess of 30d following the date the employee was notified of the appointment.

An employee appointed to a position which has a lower rate of pay will receive the lower rate of pay on the date the employee commences work in the position.

12.13 i) The Company may, for periods not in excess of 3 months, temporarily assign or substitute an employee to perform the duties of any position. Temporary substitution of employees shall be made on the basis of seniority, qualifications and ability being sufficient. When an employee is substituted, the employee shall be paid at the applicable rate for the higher classification for all time so worked. When an employee is assigned, the employee will receive his regular rate of pay.

When an employee has received pay for substitution with a time increment pay range for an accumulated period equal to the time required to entitle the employee to the next higher rate in the range, the employee shall be paid such higher rate for subsequent periods of substitution in that position.

ii) a) Substitution/Assignment Application - The Company reserves the right to substitute and/or assign employees as the need arises within the scope and application of Clause 12.14.

If overtime is required, the overtime opportunity will first be offered to an employee from the classification that was vacant prior to any substitution or assignment occurring.

Employees who have not completed the 60d trial period as referred to in Article 12.10(i), will neither be substituted nor re-assigned unless the job being performed is not required by the Company for either mechanical or operational reasons.

- b)** Substitutions will be made on the basis of seniority, qualifications and ability being sufficient, subject to the following steps, listed in descending order of opportunity:
- From the position in the line of progression immediately below the vacant position;
 - In descending order on the line of progression from the position closest to the vacant position;
 - From any position on the shift.
- c)** Subject to qualifications and ability being sufficient, employees who are normally required to work either on or around a particular dragline will be given the first opportunity for substitution on their respective dragline.

Notwithstanding the substitution procedures, it is understood the Company retains the right to re-assign employees prior to commencing substitution.

- iii)** Notwithstanding the foregoing, if the Company is aware of a temporary substitution or assignment that will exceed one month, following discussion with the union, it shall bid the position on a temporary basis.

Employees currently holding a temporary bid are ineligible to bid on a subsequent temporary bid until the completion of 90 days from the date they received the temporary bid they currently hold.

Until the bidding process is complete, the Company may designate an employee to perform the duties of such position.

Time spent in a temporary bid will count as time worked in that position for determining an employee's qualifications on subsequent bids.

Upon the expiry of the temporary bid, the affected employee(s) will return to their permanent bid position(s).

NOTE: For the purpose of Article 12, assignment shall mean: a transfer within a classification; or to a position paying the same or lesser rate of pay.

Substitution shall mean a transfer to a position at a higher rate of pay.

12.14 A temporary bid will not normally extend beyond two (2) years. An extension may be granted in certain circumstances; for example, if a timely return-to-work date has been established.

If, upon the expiration of the temporary bid, the Company still requires to fill the vacancy, then such vacancy shall be bid as a permanent bid.

If the employee subsequently returns to work, he shall return to his previous classification, and, if required, any reductions shall be in accordance with Article 11 of the Collective Agreement.

12.15 Notwithstanding provisions of clause 12.12, an employee who has been in his present classification (excluding apprentice and trainee training time) for at least 5a since last appointed to that classification, and who has the minimum qualifications and is accepted to fill a position in a classification with a time increment pay range at a lower starting rate of pay, then the employee's new rate of pay, effective upon commencing work in the classification, shall be the lesser of:

i) The employee's existing rate.

ii) The 3rd year rate of the new classification.

iii) The maximum rate of the new classification where no 3rd year rate exists.

12.16 When designating substitution under the provisions of clause 12.13 of the Collective Bargaining Agreement, preference will be given to the employee with more seniority, but the employee with the least seniority who is sufficiently qualified and capable will be substituted when more senior employees decline to accept the substitution. When a senior employee declines substitution, that senior employee revokes his right to the substitution for the period substitution is required.

ARTICLE 13 - OCCUPATIONAL INJURY AND COMPENSATION

13.01 When an employee is absent from work due to a compensable illness or injury that occurred while performing duties with the Company, the Company will advance to the employee an amount which would be equal to the employee's net regular pay if at work for all such periods of absence (not exceeding a total of 12 months or age 65 whichever comes earlier). In the event that the Workers' Compensation Board pays to the Company an amount for wage loss for the same period(s) of time that exceeds the amount advanced by the Company to the employee, the excess amount will be paid to the employee. In the event the Workers' Compensation Board payments to the Company are reduced, the Company's payments to the employee may be proportionately reduced.

NOTE: The 12 months referred to in this clause may be extended by agreement between the Company and the Union.

13.02 When for reasons of leave due to a compensable accident, it is necessary to calculate pay for a day or part of a day, 8h shall constitute a day for employees on a 37.33h/wk.

13.03 After employees return to work following a lost-time compensable accident, they will be entitled to receive the first earned day off that they would have received

had they not been absent. In cases where they return to a different position their day off will be scheduled to fit the particular work schedule concerned.

ARTICLE 14 - SAFETY AND HEALTH

- 14.01** The Company agrees to provide as far as is reasonably practicable, suitable first aid supplies and other facilities for the protection and health of employees and the Union agrees to co-operate fully with the Company in the maintenance of these facilities. The Union also agrees that collectively and individually its members will recognize and abide by the Company's safety rules and regulations. The Union further agrees that it will co-operate fully with the Company to enforce such safety rules and regulations.
- 14.02** It is understood and agreed that the Company and the Union shall at all times comply with the Occupational Health and Safety Act, the Occupational Health and Safety Regulations, the Saskatchewan Mine Regulations, the Workplace Hazardous Materials Information System (WHMIS) and other applicable government regulations that protect the health and safety of workers at the workplace.
- 14.03** The parties to this agreement shall also, at all times, comply with all safety regulations that have been instituted by the Company or the site OH&S Committee.
- 14.04** i) Any worker who is unsure of the safety of any action should discuss his concerns with his immediate supervisor and, if unresolved, with an OH&S Committee member.
- ii) A worker may refuse to do any particular act or series of acts at work which he has reasonable grounds to believe are unusually dangerous to his health and safety or the health and safety of any other person at the place of employment. Any worker, who exercises this right, must do so in accordance with Part IV of the Occupational Health and Safety Act, 1993 and the process that has been set forth by the Branch.
- iii) No discriminatory action shall be taken against any worker by reason of the fact that he has exercised his rights in accordance with Article 14.04 ii).
- 14.05** The Company recognizes that each employee has the right to know the hazards of the job, and, in consultation with the OH&S Committee, will ensure that the appropriate communication, education and/or training are provided.
- 14.06** Each employee has the right and the responsibility to participate in health and safety in the workplace so as not to cause injury or health problems to himself or others.

ARTICLE 15 - HOLIDAYS

- 15.01** The following days shall be observed as paid holidays:

NEW YEARS DAY	THIRD MONDAY IN FEBRUARY
GOOD FRIDAY	EASTER MONDAY
VICTORIA DAY	CANADA DAY
1ST MONDAY IN AUG.	LABOUR DAY
THANKSGIVING DAY	REMEMBRANCE DAY
CHRISTMAS DAY	BOXING DAY

In the event that the Provincial or Federal Government proclaims an additional statutory holiday, the holiday observed on the third Monday in February will be moved to the day so proclaimed.

- 15.02**
- i) Day Employee - When a paid holiday falls on a Saturday, Sunday or an earned day of rest, the working day immediately preceding or the working day immediately following the holiday shall be given off in lieu thereof.
 - ii) Shift Employee - When a paid holiday falls on a shift employee's assigned day of rest or earned day of rest the employee shall receive, at the Company's option, either:
 - a) 1d pay for the holiday and be assigned an alternate day off with pay. In scheduling the alternate day off in lieu of a paid holiday the Company shall, wherever possible, schedule the said day off consecutively with the employee's regular day of rest. The alternate day off shall be granted within 30d of the date on which the paid holiday fell. However, each employee shall be granted a minimum of 15d notice prior to the scheduling of the alternate days off,

OR

- b) 2d pay (1d pay for the holiday in 15.01 and 1d pay for the holiday falling on a day off).

NOTE: When an employee is entitled to a day's pay, in addition to pay for the holiday, the additional day's pay shall be calculated on the basis of 8h (8 hours) for employees on a 37.33 h/wk (37 1/3-h/wk).

15.03 In addition to pay in 15.01 and 15.02 an employee who works shall receive overtime pay in accordance with the provisions of Article 19 and 20 for all time worked.

15.04 Shift Employees scheduled to work on paid holidays named in Clause 15.01 and who work shall, upon request, be given a day off without pay up to a maximum of 4d per calendar year. Such day off must be scheduled such that they do not result in the need for overtime coverage.

15.05 The Company will designate the minimum and maximum number of employees required to work on any statutory holiday. The Company will post the operational requirements at least thirty (30) days prior to the scheduled statutory holiday. If the Company determines there is a requirement to work, preference will be given to the employees in the required classification, who are normally scheduled to work and have the least amount of overtime. If such employees refuse, then the employee with the least seniority in the required classification, who is normally scheduled to work shall be assigned.

If the Company cancels any employee who was scheduled to work the statutory holiday, then that employee will be eligible for up to eight (8) hours of pay at the applicable regular straight time hourly rate of pay, unless the employee has received a minimum of seven (7) days notice of such cancellation or unless the Company can demonstrate that such cancellation was due to conditions beyond the Company's control. Employees scheduled to work statutory holidays shall

be assigned duties in the same manner as on any regular scheduled day of work.

ARTICLE 16 - ANNUAL VACATIONS

- 16.01** A "vacation year" shall be the period from July 01 in one calendar year to June 30 inclusive in the next calendar year, and as at July 01 each year all employees shall have earned vacation leave with pay calculated on the basis of 1.25d (10h) for each full month of service with the Company within the preceding vacation year.
- i)** An employee with 9a or more of service in that calendar year and each calendar year thereafter shall be entitled to an additional 5 working day's vacation with pay (i.e., 20 working day's) in that calendar year and each calendar year thereafter.
 - ii)** An employee with 15a or more of service in that calendar year and each calendar year thereafter shall be entitled to an additional 5 working days vacation with pay; (i.e. 25 working days) in that calendar year and each calendar year thereafter.
 - iii)** Notwithstanding the foregoing provisions of Clause 16.01, each employee will be entitled to an additional 5 working days vacation with pay for each 12-month periods immediately following the date the employee reaches age 58 through to retirement or termination of employment, whichever is sooner, provided the employee is not eligible for additional vacation leave under provisions of Clause 16.01 (iv) below.
 - iv)** An employee with 30a or more of service in that calendar year and each calendar year thereafter shall be entitled to an additional 5 working days vacation leave with pay (i.e., 30 working days) in that calendar year and each calendar year thereafter, provided the employee is not eligible for additional vacation leave under provisions of Clause 16.01 (iii) above.
- 16.02** All annual vacation leave shall be scheduled before April 15 of the year and shall be regulated by rotation schemes. Every effort shall be made to ensure that vacation leave shall be between May 01 and October 31, and employees with 3a or more accumulative service shall not be required to take the first 4 weeks of their vacation outside of this period.
- 16.03** An employee who leaves the Company's service and has not received accrued annual vacation shall be allowed pay in lieu of earned vacation as calculated in Clause 16.01.
- 16.04** When a holiday falls within an employee's annual vacation such employee shall be given an additional day's pay in lieu of the holiday; or, if so requested at the time vacations are scheduled, the employee shall be given an additional day vacation in lieu of the holiday.
- NOTE:** An additional day's pay as referred to above is calculated on the basis of 8h (8 hours) for those on a 37.33h/wk (37 1/3h/wk).
- 16.05** An employee taking ill or meeting with an accident immediately prior to the period in which such employee has been scheduled to take vacation shall be allowed to reschedule the vacation to a later suitable time. If, as a result of illness or injury, an employee is hospitalized or confined to bed under doctor's care for 4 working days (8h employees) and 36 working hours (12h employees)

or more during the vacation the employee shall, upon providing evidence satisfactory to the Company of such hospitalization or confinement, be considered as on sick leave for such number of days of hospitalization or confinement and may take the equivalent time as vacation at a later time as arranged for by the supervisor.

- 16.06** Employees may, after they have completed 5a of accumulated service, and with the approval of the Company, accumulate their vacation leave credits in order to take extended vacation leave. Such requests must be in writing. Effective June 30, with the exception of approved carryovers, outstanding vacation credits in excess of vacation credits earned in the previous vacation year will be paid out to the employee on the second payday in July.
- 16.07** Vacation credits will accumulate for those period(s) of absence from work resulting from occupational injury for which the Company makes up the employee's basic wages as per the provisions of Article 13 of this Agreement.
- 16.08** Employees when taking their annual vacation leave will, during such leave, observe their scheduled earned day(s) off in the same order as they would have had they not gone on vacation leave and such earned day(s) off will not be counted as vacation days.

ARTICLE 17 - PAYMENT OF WAGES

- 17.01** Employees shall be paid their regular wages as outlined in the schedule attached hereto the Friday following the period which their pay is earned. The period in which pay is earned will commence at 0000h on Sunday and end at 2400h on the second Saturday following.
- 17.02** Employees will be paid by direct deposit to the bank or credit union of their choice.
- 17.03** When a pay date referred to in Clause 17.01 falls on an employee's scheduled day off or on a paid holiday, every reasonable effort will be made to pay the employee before the commencement of the day(s) off or holiday.
- 17.04** The Company shall provide to each employee information indicating gross amount to which the employee is entitled, net wages paid, all deductions made from wages and the purpose for which such deductions were made.
- 17.05** Providing a written request for vacation pay is received by the payroll department 7 working days before commencement of annual vacation, an employee shall receive vacation pay on the working day prior to the start of such vacation provided such period of vacation is for a minimum of 7 calendar days for a day employee and 10 calendar days for a shift employee.
- 17.06** If a supervisor alters either the time or pay related information reported by an employee on his time card for any reason, he will notify the employee of the change no later than the employee's next regularly scheduled shift.

ARTICLE 18 - REGULAR HOURS OF WORK

18.01 DAY EMPLOYEES - FIELD - The hours of work shall be from 08:00 - 16:00, Monday through Friday, except that after a total of 112 regular hours have been worked in a 3-week period, an earned day of rest shall be provided in conjunction with regular days of rest. The regular hours of work referred to above are subject to change by mutual agreement between the Company and the Union.

18.02 8 HOUR SHIFT EMPLOYEE - PERMANENT - The regular hour of work shall average 37.33h/wk scheduled such that employees work 8h shifts known as the day, evening, night, and spare shifts and such that, in addition to an average of 2 regular days of rest per week, each employee will, for each 3-week period worked, (an average of 112 regular hours, consisting of fourteen 8h shifts worked) earn 1 additional day off to be taken in conjunction with regular days of rest. The starting and quitting times and days of rest as applicable to all employees involved shall be in accordance with a shift schedule, as mutually agreed upon between the Company and the Union, and posted on the Company's notice board at least 10 days before the effective starting time. Shifts shall rotate or alternate on a regular basis and if at any time an employee is changed from one shift to another without notification at least 72h before the effective time of the change, the employee shall be paid at double the regular rate of pay for all hours worked on the changed hours until 72h following notification time has elapsed.

It is agreed, however, that such notice time and/or premium pay shall not apply when:

- i) changes are made as a result of employee arrangements and requests;
- ii) because of plants going on standby or on a cycling operation, an employee is changed (for a temporary period) from working shifts on a rotation basis to day shifts only;
- iii) on spare shift rotation. Employees on spare shift rotation shall be available for the purpose of relieving other shift employees during their days of rest, but will also be required to relieve shift and day employees during annual vacation leaves, sick leaves, leaves of absence, etc. Such employees may perform the work of any classification for which they are qualified when working on day shift. However, if transferred to an afternoon or night shift, they will work within their classification unless either operational requirements or equipment breakdown occurring after the shift change has been issued necessitates their re-assignment to a position of an equal or lesser rate of pay. While on the spare shift segment of the shift schedule, a shift employee can be assigned to any shift without premium pay, it being understood that employees required to work in excess of eight (8) consecutive hours will receive the applicable over time rates for all such excess time in accordance with Article 19.

12 HOUR SHIFT EMPLOYEE – PERMANENT The 12 hour shift schedule will consist of a combination of 12 hour day and night shift and 8 hour spare shifts such that the average weekly hours worked will be 37.33 over a 15 week period, after which time the schedule repeats itself. During this period, employees will

normally be scheduled to work 560 regular hours, but this is not to be construed as a guarantee of hours of work per day or days of work per week.

Overtime will be paid for hours worked in excess of the scheduled hours in a work day, and/or for time worked on a scheduled day off.

The initial scheduled starting and stopping times for 12 hour shifts will be 8:00 A.M./P.M. to 8:00 P.M./A.M., and for spare shifts from 8:00 A.M. to 4:00 P.M., 4:00 P.M. to 12:00 A.M. and 12:00 A.M. to 8:00 A.M.

Unless otherwise agreed to, employees will not be granted leaves of absence to cover partial shifts.

18.03 TEMPORARY SHIFT EMPLOYEES - Notwithstanding Clause 18.01, day employees may be assigned to work shifts, other than day shifts, on a temporary basis as the need arises, provided such shift work is for a period of 3 or more continuous days. When employees assigned to such temporary shift work are not given at least 72h written notice they shall be paid at double their regular rate of pay for all regular hours worked on such assignment until 72h following the notification time has elapsed.

18.04 TEMPORARY DAY EMPLOYEES - Notwithstanding Clause 18.02, permanent employees in operating classifications may be assigned to day work (Monday to Friday, 08:00 - 16:00) on a temporary basis during temporary shutdowns or when not required for operations provided a minimum of 72h written notice is given and providing the assignment to regular day work is for a duration of not less than 3 weeks. Written notice shall include the length of assignment, the initial work assignment, and the date and time of return to shift.

Such employees shall perform no work which is normally an operating responsibility when assigned to day work. If the duration of the assignment is changed for any reason, 72h written notice will be required. Failing such notice, the employee shall be paid 2 X their regular rate of pay for all hours worked until the 72h notification period has elapsed. Employees assigned to day work who have annual vacations scheduled during the period of the day work assignment will receive special consideration for realignment of vacations to accommodate the Monday to Friday work week.

18.05 i) When an employee is attending a training course and the employee's earned day(s) off falls on a day that instructions, etc., are taking place, the employee's earned day(s) off will be rescheduled for some other time mutually acceptable to the employee and the supervisor.

ii) The Company will endeavour to schedule mandatory training on an employee's regularly scheduled day(s) of work. When the Company schedules mandatory training programs outside an employee's regular working hours the employee will be paid the applicable overtime rates for those hours in attendance.

18.06 It is understood that as the mining operations expand all employees involved in mining will eventually be "shift employees".

18.07 Employees shall receive 40 minutes of paid rest breaks on each complete shift.

18.08 Employees may exchange shifts, (or portions thereof), provided they have the approval of their Supervisor. The employee who actually works will receive pay on a straight time basis.

NOTE: Guidelines for shift exchanges are contained in Appendix "A".

18.09 Supervisors or employees requesting a shift change from night or afternoon shift to day shift may do so if an agreement is reached between the employee and their supervisor. The employee will be allowed to work day shift to do his regular job. If, during the shift, priorities change, the employee will be required to do other duties, i.e.: run equipment.

If the supervisor and the employee agree to waive the 72-hour notice, the agreement may be from nights to days or days to nights.

ARTICLE 19 - OVERTIME PAY

19.01 Opportunities for overtime will be distributed as equitably as is practicable amongst the employees in the classification who normally perform the work.

An employee required to work overtime shall be paid double the regular rate of pay, rounded up to the nearest ten (10) minutes, for all overtime worked.

19.02 An employee required to commence work more than 5h before the regular starting time in any 1d shall be paid at the rate of double the regular rate of pay for all hours so worked until the employee is relieved from duty for at least 6h rest and any of such rest period which comes within the employee's regular working hours shall be paid for at the employee's regular rate of pay. Regular pay shall be suspended when on double time.

i) In cases where the 6h rest period referred to above expires within 3h of the employee's regular quitting time, the employee will not be required to return to work to qualify for regular pay for the remainder of the employee's regular shift.

19.03 A vacation overtime (V.O.) day is a normal working day off with pay in lieu of overtime pay.

i) At the employee's option, the Company shall deduct 50% of payable hours earned and shall credit the amount to the employee's V.O. bank.

ii) The time equivalent of amounts in the V.O. bank shall be scheduled as time off when mutually agreed between the employee and the Company. In no case will V.O. be scheduled where further overtime results.

iii) At the employee's option, the V.O. bank may be paid off in cash.

iv) Overtime which is accumulated as V.O. shall be credited in terms of hours.

v) Vacation overtime earned between January 1st and June 30th (inclusive), shall be used or paid out no later than December 31st of the calendar year in which it was earned.

vi) Vacation overtime earned between July 1st and December 31st (inclusive), shall be used or paid out no later than June 30th of the calendar year following the year in which it was earned.

NOTE: For administrative purposes, employees shall not bank any time under 1h at overtime rates. (Example: 1h at double time X .5 = 1.0 (1 h) bank time).

19.04 i) Employees who have not received notice, prior to the commencement of their regular hours of work, that they will be required to work overtime and the overtime assignment extends more than 2h beyond their regular working hours and is such that they cannot be released from duty for sufficient time for them to return to the location where they would normally eat their meal, will be supplied a meal at the job site, or if such meal cannot be supplied, they will be entitled to receive an allowance equivalent to the supper allowance specified in Clause 22.02. Should the overtime assignment

continue through a further 4h period, the employee will be eligible for an additional meal or an allowance equivalent to the dinner allowance.

- ii) Employees called out after regular working hours to perform overtime work will be provided with a meal at the job site after 4h continuous work, or if such meal cannot be supplied, they will be entitled to receive an allowance equivalent to the dinner allowance specified in Clause 22.02. Should the overtime assignment continue through a further 4h period, the employee will be eligible for an additional meal or meal allowance described above.
- iii) Employees called out more than 1.0h before the commencement of their regular hours of work and the call-out assignment extends into regular working hours and is such that they cannot be released from duty for sufficient time for them to return to the location where they would normally eat their meal, will be provided with a meal at the job site, or if such meal cannot be supplied, they will be entitled to receive an allowance equivalent to the breakfast allowance specified in Clause 22.02.

19.05 When an employee has been notified that overtime work is required and that notification is subsequently cancelled or postponed, the employee will be entitled to 2h pay at the regular rate of pay, unless the notification of cancellation or postponement is given at least 8h before the overtime work was to commence. In the event notification of cancellation or postponement was not given and the employee arrives at work, then the employee will be entitled to an additional 1h pay at the regular rate of pay. If the overtime assignment is postponed to a time less than 6h from the time the overtime assignment was originally scheduled to commence, the 2h payment will be waived.

ARTICLE 20 - CALL OUT

DEFINITION: A call-out shall be defined as a situation where an employee who is not at the workplace is contacted to work overtime and such contact is made less than eight (8)h before the commencement of said overtime.

20.01 When an employee is required for any reason to work overtime which is not continuous with regular hours of work, the employee shall be free when the duties in respect to the call-out are completed, but shall nevertheless be guaranteed a minimum payment of 4h at the overtime rate applicable for such 2h period (whether worked or not); except that:

- i) An employee called out in the 1h period immediately preceding the employee's normal starting time shall be paid a minimum of only 1h at the applicable overtime rate.
- ii) An employee called out more than once during the 2 or 1h period specified above shall not receive any further overtime credits until the 2 or 1h period has elapsed.
- iii) Employees may only bank callout pay in excess of 2h if such hours have been worked.

20.02 The Company agrees that employees may request to examine call-out documentation.

20.03 The time required for employees to travel between their residence and their regular work locations is not considered as time worked and therefore, it is the employee's responsibility to get to and from their work locations on their own time. However, in cases of call-outs it is understood and agreed that the employees will nevertheless be entitled to a Travel Allowance associated with the call-outs where:

a) the overtime assignment occurs before the employees' regular hours of work or scheduled overtime assignment and extends into the employees' regular or scheduled work period;

- or -

b) the overtime assignment occurs before or after the employees' regular hours of work or scheduled overtime assignment and does not extend into the employees' regular or scheduled work period.

The travel time allowance will be 30 minutes for (a) above and forty-five (45) minutes for (b) above and notwithstanding the foregoing, such time periods shall be counted as time worked for the purposes of calculating if an employee was required to commence work more than five (5)h before their regular starting time as referred to in clause 19.02.

ARTICLE 21 - CLASSIFICATION AND RATES OF PAY

21.01 Occupational classifications and rates of pay therefor, shall be as set forth in the Schedule attached hereto, which shall form part of this Agreement.

ARTICLE 22 - TRAVEL AND SUBSISTENCE

22.01 All employees are required to travel between their place of residence and the mine service building on their own time.

i) All employees are required to arrange for their own means of transportation to travel between their place of residence and the mine service building and, for this consideration, each employee will be entitled to receive a transportation allowance of \$3.00 for each round trip for such travel.

ii) Those employees whose designated work location is the mine site and who are therefore required to travel to the mine site on their own time will be entitled to receive an excess travel time allowance of \$4.00/d for such travel, and they will be provided with a Company vehicle for such travel.

22.02 Board and lodging will be provided on the job for employees when they are required to be away from the mine. If, however, board and/or lodging is not provided, allowances as follows shall be paid in lieu thereof:

BOARD:

Breakfast	\$15.00
Dinner	\$15.00

Supper \$15.00

LODGING:

The employee shall be reimbursed actual lodging costs within reason, all claims in excess of \$6.00/d to be supported by receipts.

If an employee leaves the work location on a weekend or statutory holiday, the employee shall be paid \$45.00/d in lieu of board and lodging.

- 22.03** An employee who is required to work away from the mine which necessitates staying overnight shall be paid (upon submission of hotel, motel, or other lodging receipts) a living-out differential of \$5.00/d to cover incidental expenses.

ARTICLE 23 - DIFFERENTIALS

23.01 In addition to regular or overtime rates of pay:

- i) employees working an 8 hour shift from Monday to Friday, inclusive, a shift differential in the amount of \$.70/h shall be paid to shift employees to work an afternoon shift; and \$.75/h for night shift;
- ii) employees working an 8 hour shift on Saturdays and Sundays, a shift differential in the amount of \$.85/h shall be paid to shift employees who work a day shift; \$.90/h for an afternoon shift; and \$.95/h for a night shift.
- iii) employees working a 12 hour Monday to Friday night shift will receive, effective Dec.1, 2010, shift differential in the amount of \$2.47/h.
- iv) employees working a 12 hour Weekend day shift will receive a shift differential of \$1.90; Weekend night shift, effective Dec. 1, 2010, shift differential in the amount of \$2.65/h

(Shift differentials shall not form part of the basic wage rate and shall not be subject to overtime rates.)

(12 hour shift differentials will not apply to a shift employee who is assigned to maintenance work and who works overtime which is a continuous with the regular work period.)

- 23.02** An employee (other than those with supervisory responsibilities) placed temporarily in charge of 2 or more employees shall be paid a differential of \$1.00/h for all time so worked.

- 23.03** An employee who is required to work on dragline booms while off the catwalk or dragline masts while off the vertical stairs or landings or other areas to a height of at least 21.34 m free fall area above ground level will in addition to all other remuneration, receive \$4.00 for each hour of such work above the 21.34 m level. The minimum daily payment to any one employee shall not be less than \$12.00.

- 23.04** Employees (other than those with training responsibilities) designated by the General Manager to conduct formal instruction seminars in the classroom setting shall receive a differential of \$1.40/h for such training.

- 23.05** Employees temporarily assigned to provide on-the-job instruction to new appointees of equipment operator classifications will be paid a differential of

5.0% of their regular hourly rate for all time worked while so assigned or a minimum 4h payment whichever is the greater. Such instruction will also include the reporting of instructions given, "hands-on" exposure experienced by the instructee, and recommendations as to when the appointee is capable of functioning in the regular Operator capacity. This differential shall not apply for on-the-job instructions provided to employees in the Shovel or Dragline Oiler classifications. This differential will not be subject to overtime rates.

23.06 An employee, who is competent and is assigned by the Company to operate the 100T or 35T crane will, in addition to all other remuneration, receive a differential of \$4.00/h for all time so worked. The minimum daily payment to any one employee shall not be less than \$12.00.

23.07 i) Any qualified journeyman pressure welder, who is assigned to perform work that requires a pressure welding ticket will, in addition to all other remuneration, receive four (\$4.00) dollars per hour for each hour of such work rounded up to the nearest hour. This premium will not be subject to overtime rates. The minimum daily payment for any one employee shall not be less than \$12.00

ii) Any qualified journeyman welder, who holds a valid pressure welding ticket will have the option to progress to the pressure welder classification on a permanent basis. Should any journeyman welder choose this option the decision is irrevocable until such time as he receives a different position through the normal bidding process.

iii) In the event that a pressure welder does not successfully maintain a pressure ticket, that individual shall be afforded every reasonable opportunity to retest, to a maximum of two (2) times within three (3) months, unless otherwise mutually agreeable, and, if unsuccessful, shall return to the welder classification.

ARTICLE 24 - TEMPORARY CESSATION OF WORK

24.01 When, in the opinion of the Company, conditions are such that it is impracticable for employees who are engaged in mining activities to proceed with their normal occupations, other work, if available, shall be provided.

24.02 In the event that work is not available for these employees, they may be required to remain at the work location or may be released, but nevertheless shall be paid at their regular rates of pay for a period not exceeding 2 consecutive days (16h). During such time, employees may be instructed in safety methods and procedures, construction standards, Company policies, etc.

24.03 When employees are released, as referred to in Clause 24.02, they must keep their supervisor informed at all times as to where they can be readily contacted.

ARTICLE 25 - REPORTING TIME

25.01 Any employee who normally is required to report for work and so reports, but who, by reasons of some breakdown or for reasons beyond the employee's control, is dismissed for the day shall receive not less than 4h pay at such employee's normal rate.

ARTICLE 26 - VOTING TIME

26.01 Employees shall, on Provincial or Federal Election days, be allowed time off for voting in accordance with the Saskatchewan and Canada Election Acts, respectively, and no deductions shall be made from their pay on that account.

ARTICLE 27 - COURT DUTY

27.01 The Company agrees to make up the difference between the employee's regular wages to a maximum of 12 hours per day and the remuneration received by such employee subpoenaed as a witness or called to serve on Jury panel.

ARTICLE 28 - PENSION PLAN

28.01 Pension benefits shall be in accordance with provisions of the Pension Plan for Hourly Employees of Prairie Mines & Royalty Ltd., Poplar River Mine. Effective December 1, 1998 this plan will be amended to provide for a 7% Company contribution.

28.02 It is understood that coverage under the Pension Plan for Hourly Employees of Prairie Mines & Royalty Ltd., Poplar River Mine is not to be construed as also providing permanency of employment.

28.03 Twice each year the Company shall furnish each employee with a statement showing pension credits.

28.04 Upon return from leave provided under clause 6.02 of this Agreement, employees are required to make up contributions for the period of such leave.

Employees will have the option of making either lump sum or periodic payments by payroll deduction over a period of time not to exceed the period of leave which will be matched by the Company to the extent only that they would have been matched had the employee not been on leave.

28.05 Effective January 1, 2008, a Pension Education Committee shall be formed, and will consist of two (2) representatives; two appointed by the I.B.E.W. Local 2067 and two (2) appointed by the Company. The Committee shall meet at least two (2) times per year and record and distribute minutes.

ARTICLE 29 - HEALTH & WELFARE

29.01 Life Insurance

a) It is agreed that the Company will participate in a Group Life Insurance Plan and will pay for the first \$50,000.00 of Life Insurance, and \$50,000.00 Accidental Death and Dismemberment Insurance for each Employee insured.

All employees who now or hereafter participate as members of the Group Life Insurance Plan shall, as a condition of their continuing in the employ of the Company, maintain their membership in the Plan during their entire service with the Company, or age 65, whichever comes earlier.

- b) Every new employee who is to become eligible for participation in the Group Life Insurance Plan shall, as a condition of employment, make application for coverage under such Plan.

29.02 Dental Plan

Dental benefits shall be:

Diagnostic and preventative services at 100% coverage, and Basic, Routine and Major Restorative Services at 90% coverage, the annual maximum shall be \$2000 per insured family member.

Orthodontic Services - 50% coverage to a lifetime maximum of \$2,500 per insured family member.

29.03 Extended Health Plan

Extended Health Plan benefits shall be in accordance with the Prairie Mines & Royalty Ltd., Poplar River Mine, hourly employees extended health plan. Effective December 1, 2010, the Extended Health Plan will be amended to include coverage for basic optical examinations up to a maximum of one hundred dollars (\$100.00) every twenty-four (24) months per insured family member.

29.04 Vision Care Plan

The Company shall pay the premiums for the establishment of a vision care program for the employee, his spouse and their dependent children. The plan will provide payments for frames and lenses, including contact lenses, and eye laser surgery to a maximum of two hundred and fifty (\$250.00) every twenty four (24) months per insured family member. Definitions as to eligibility, etc. will be consistent with the Extended Health Plan above.

29.05 Sick Leave

- a) On December 1st of each year, each active employee who has completed 60d on the job shall be credited with 7 sick/medical leave days (56 h).

Unused sick/medical leave credits shall not be carried forward to the following year. Effective December 1, 2011, such unused sick /medical leave credits will be paid out at one hundred (100) percent (%) of the employee's regular daily rate less standard deductions provided such employee has not received any short term disability, long term disability or worker's compensation benefits. Employees who have received short term disability will be eligible for twenty-five (25) per cent (%) of their unused sick/medical leave less standard deductions. In each instance, to a total of 7d (56h) in the 12 month period of December 1st to November 30th, sick/medical leave will be paid at 100% of the employee's regular daily rate less standard deductions.

Employees must make every effort to schedule medical leave appointments to minimize workplace disruption and time away from work.

Employees will request medical leave from their out-of-scope supervisor as far in advance as possible.

Employees will not be credited with sick leave credits until they have completed 60d on the job, but upon so completing the 60d, will be credited with sick leave credits on a pro-rata basis based upon their most recent hire date with the Company.

- b) No employees will be entitled to benefits as outlined under clause 29.05, unless the following conditions are met:
 - i) The employee has completed 3 months' service.
 - ii) The employee's immediate supervisor is notified at once. No employee shall be entitled to sick pay for time previous to such notification unless evidence can be furnished to show that the delay was unavoidable.
 - iii) The employee supplies a certificate from a duly licensed Medical Practitioner pertaining to the illness. For periods not exceeding 7 consecutive working days, the employee's out-of-scope supervisor may waive the requirements for the medical certification. The Company will reimburse employees the cost for medical certificates that are required under this provisions.

NOTE: When employees are absent from work and on sick leave, only the regular working day that they would have worked had they not been absent will be paid as sick leave. Employees will not earn time for days off in respect to sick leave usage. When they return to work following such sick leave, their earned day off will be scheduled to fit the particular work schedule involved.

Deductions from pay, when necessary, will be calculated on the basis of 8h/d.

29.06 Short Term Disability

- a) The Company will provide employees coverage for short term disabilities based on the following:
 - i) benefits commence the first day of illness or hospitalization;
 - ii) benefits continue for 119d;
 - iii) Short Term Disability claims initiated prior to age 65 will continue past the age of 65, subject to medical documentation, up to the 119d or return to work or termination of employment whichever is earlier.
 - iv) Employee's age 65 and older are eligible for short term disability benefits subject to medical documentation on a one time basis only up to the 119d, return to work or termination of employment whichever is earlier.

- v) benefits will be paid at 75% of the employees wages less standard deductions.
- vi) This plan will not pay benefits for illness or accident covered by Worker's Compensation

29.07 Long Term Disability

- a) The Company will provide employees coverage for long term disabilities based on the following:
 - i) benefits commence after 119d of disability;
 - ii) benefits are payable for a two year period provided the employee is not capable of returning to his former position and continues to qualify;
 - iii) benefits are payable for the rest of the employees life or age 65, whichever is earlier, provided the employee is not capable of performing any work for remuneration after the two year period stated in 29.07 (a) (ii) of this Article;
 - v) benefits will be paid at 75% of the employees wages less standard deductions.
 - vi) this plan will not pay benefits for illness or accident covered by Worker's Compensation

29.08 No employees will be entitled to benefits as outlined under clauses 29.06, and 29.07 unless the following conditions are met:

- a) The employee has completed 3 months' service.
- b) The employee's immediate supervisor is notified at once. No employee shall be entitled to short term or long term disability benefits for time previous to such notification unless evidence can be furnished to show that the delay was unavoidable.
- c) The employee supplies a certificate from a duly licensed Medical Practitioner pertaining to the illness on form C-052 required by the Company. For periods not exceeding 7 consecutive working days, the employee's out-of-scope supervisor may waive the requirements for the medical certification. The Company will reimburse employees the cost for medical certificates that are required under these provisions.

NOTE: When employees are absent from work on short term disability, only the regular working day that they would have worked had they not been absent will be paid short term disability. Employees will not earn time for days off in respect to short term disability

Deductions from pay, when necessary, will be calculated on the basis of 8h/d.

- 29.09** If for a period of disability an employee receives payment under the Canada Pension Plan, the employee's sick leave payments will be adjusted so that when combined with the Canada Pension Plan payment, the employee would not receive an amount which, in total, would exceed that which one would have received under Clause 29.05, 29.06, or 29.07. This adjustment to apply until the employee returns to work.
- 29.10** The Company reserves the right to call for a medical examination of an employee by any Medical Practitioner designated by the Company.
- 29.11** Shift employees shall give their immediate supervisor sufficient notice for the rearrangement of shift personnel before returning from sick leave.
- 29.12** In consideration of these Health and Welfare benefits, it is agreed by the Union that the Company shall retain the benefits resulting from any reduction or rebate of the Employee's share of Employment Insurance premiums.

ARTICLE 30 - NOTICE BOARDS

- 30.01** The Company agrees to provide notice board space for the use of the Union, in suitable locations easily accessible to the employees, for the purpose of posting notices of interest to the Union members.

ARTICLE 31 - PROTECTIVE CLOTHING

- 31.01** The Company agrees to provide adequate protective clothing for an employee when the employee is required to work in abnormal conditions under which the employee's clothing might be destroyed or rendered unfit for further use.
- 31.02** The Company will supply rented coveralls for all employees up to two (2) pair per shift rotation. Coveralls will be repaired/launched when exchanged.
- 31.03** The first pay period in January of every year, all regular employees will receive a lump sum payment of \$225.00 towards the purchase of CSA approved safety boots. Work gloves, winter and summer, will be supplied by the Company. Employees who terminate employment before completing 12 months of service from the date they receive each allowance will have a prorated deduction made on their last cheque on the basis of 1/12 per month for each uncompleted month of the 12 month period. Employees absent from work will be ineligible for this payment unless they return to work in the same calendar year for which the payment is being made.
- 31.04** The Company will absorb 100% of the cost for approved prescription industrial safety lens and up to a maximum of \$100.00 for safety frames for all employees (limited to one pair per 18 month period). The following regulations and/or procedures shall apply:
- i) Employees may purchase prescription industrial safety glasses as specified above from a supplier of their choice and claim reimbursement of the cost by submitting an expense voucher accompanied by a receipted bill of sale on which there must be evidence supplied by the dispenser to indicate the lenses and frame purchased meet industrial safety standards.

- ii) Each employee is entitled to claim reimbursement for his industrial safety glasses, (including "Hardex" and Photogrey lens costs) once every 18 months.
- iii) In the event that a probationary or project employee is reimbursed for a pair of industrial safety glasses but terminates employment before completing 18 months of service from date of purchase, the cost of the glasses will be deducted from his wages, prorated on the basis of 0.06 of the cost for each uncompleted month of the 18 month period.
- iv) Employees absent from work will be ineligible for this payment unless they return to work in the 18 month period for which the payment is being made.

ARTICLE 32 - SEVERANCE PAY

32.01 Effective December 1, 1998 all accumulated severance credits will be frozen. There will be no further accumulation of severance pay. The Company agrees that employees will be entitled to severance pay accumulated prior to December 1, 1998 upon permanent layoff, retirement or death as follows:

- i) Severance pay will be paid at the rate in effect on the date of layoff, retirement or death.
- ii) Severance pay will be paid to employees who are retired due to fulfillment of the required length of service or retired due to ill health. In the event of death, payment will be made to the employee's estate. For the purposes of this payment, "required length of service" is defined as either the completion of 35 years of continuous service, or the attainment of age 55 plus one year of service.
- iii) Severance pay will not be paid to employees who resign by choice or who are dismissed.

NOTE: 1d pay is determined on the basis of the employee's regular daily working hours.

ARTICLE 33 - SUPPLY OF AGREEMENTS

33.01 The Company agrees to provide the Union with sufficient copies of this Agreement (including 1 copy of each supplementary Agreement) to enable the Union to provide each employee with 1 copy. It is understood and agreed, however, that the format of such copies shall be at the discretion of the Company.

ARTICLE 34 - WASH-UP TIME

34.01 Should employees wish to wash up at the end of their shift they may do so during the last ten (10) minutes of the shift and shall be paid at their regular rate for doing so.

Employees who, for reasons beyond their control, can not wash up during the last ten (10) minutes of their shift may wash up on their own time and shall

receive a maximum of ten (10) minutes, rounded up to the nearest five (5) minutes at double the employee's regular rate of pay for each such occurrence.

Employees shall not leave the mine service building prior to the end of their shift without the permission of their supervisor.

ARTICLE 35 – CONTRACTING OUT

35.01 The Company will endeavour, whenever practicable and/or possible, to make every reasonable effort to ensure that repair maintenance and production work which is done regularly by I.B.E.W., Local 2067, Bargaining Unit Employees will continue to be done by such employees.

35.02 The Employer agrees that, prior to any contracting out of work, such contracting out shall be discussed with the Union. Where practicable, and, if applicable, such discussions will be held in advance of tendering and/or scheduling.

35.03 The Company will meet at least quarterly with the Unit Chairman/designate and the Business Manager/designate to discuss contracting out. Such meetings may be held in conjunction with the regular Union Management meetings.

ARTICLE 36- DURATION OF AGREEMENT

36.01 This Agreement shall be effective from December 1, 2010 and shall remain in force and effect up to November 30, 2013 and from year to year thereafter, but either party may, not less than 30d nor more than 60d prior to the termination date thereof, give notice in writing to the other party to terminate this Agreement or to negotiate a revision thereof.

36.02 The party giving notice in accordance with Clause 36.01 shall at the same time, when such notice is issued, indicate a date on which the said party suggests that negotiations commence, it being understood and agreed that both parties shall endeavour to have negotiations commence at the earliest possible date within the 60d period before the expiry date of this Agreement.

36.03 At the first meeting of the parties for the commencement of negotiations the Union shall submit in writing to the Company the Union's proposals in respect to revisions of the Agreement, and the Company shall submit in writing to the Union such proposals that the Company wishes to make to the Union in respect to revisions. It is clearly understood between the parties that only such items that are submitted in writing by either party to the other at the first meeting mentioned above shall be subject to negotiations.

IN WITNESS WHEREOF the parties hereto have caused these presents to be executed the day and date first above written.

EXECUTED on behalf and in the presence of:

PRAIRIE MINES & ROYALTY LTD.
Poplar River Mine

**INTERNATIONAL
BROTHERHOOD
OF ELECTRICAL WORKERS
LOCAL 2067**

Dan Hammel

Brian Cairns

Richard Pratchler

Corby Cairns

Loretta Miiller

Laura Carter

Jason Tibbs

Dave Bisgaard

Wayne Giraudier

Mike Therrien

Cam Marit

MINING CLASSIFICATIONS AND RATES OF PAY				
CLASS CODE	CLASSIFICATION	EFFECTIVE DEC. 1/2010	EFFECTIVE DEC. 1/2011	EFFECTIVE DEC. 1/2012
Band 1		39.34	40.52	41.74
101018	Electrical Foreman			
102018	Mechanical Trades Foreman			
103018	Welding Trades Foreman			
Band 2		36.62	37.72	38.85
120018	Journeyman Electrician			
170018	Journeyman Machinist			
219018	Journeyman Pressure Welder			
150018	Journeyman HD Mechanic			
210018	Journeyman Welder			
Band 3		35.55	36.62	37.72
350018	<u>Coal Foreman, Stripping Foreman</u>			
Band 4		33.69	34.70	35.74
310018	Dragline Operator			
300018	Shovel Operator			
340018	<u>Loader Operator</u>			
Band 5		32.42	33.39	34.39
141018	Surveyor			
312018	Dragline Oiler			
368018	Locomotive Operator			
314018	Pad Prep Operator			
380018	Coal Hauler Operator			
Band 6		31.90	32.86	33.85
650018	Load Out Operator			
701018	Storekeeper			
304018	Shovel Oiler			
360018	Basic Operator			
369018	Farming Equipment Operator (<u>Seasonal</u>)			
368218	Rail Maintenance			
510018	Service Person			
Band 7		29.11	29.98	30.88
711018	Utility Person II (Field/Shop)			
710218	Utility Person I			

MINING CLASSIFICATIONS AND RATES OF PAY				
CLASS CODE	CLASSIFICATION	EFFECTIVE DEC. 1/2010	EFFECTIVE DEC. 1/2011	EFFECTIVE DEC. 1/2012
	Apprentice Trades * (1 and 2)			
	- 1st Year (65% of Journeyman Rate)			
	- 2nd Year (75% of Journeyman Rate)			
	- 3rd Year (85% of Journeyman Rate)			
	- 4th Year (90% of Journeyman Rate)			
	3 Year Apprenticeship			
	- 1st Year (65% of Journeyman Rate)			
	- 2nd Year (75% of Journeyman Rate)			
	- 3rd Year (85% of Journeyman Rate)			

- *1. Employees in the classification of Apprentice Mine Mechanic are required to pass a prescribed examination at the completion of each year in the classification to advance to the subsequent step in the pay range. If the Company fails to make the examination available, the employee will advance in the wage range as though having passed the examination, however, shall remain subject to the prescribed examination for a further 9-month period, and failure to pass the examination when made available within this 9-month period shall be reverted to the rate for which qualified effective on the date of failing the examination.
- *2. Employees classified as Apprentice Mine Mechanic shall be upgraded to the classification of Mine Mechanic upon obtaining at least 4 a experience in the trade and obtaining the Province of Saskatchewan Heavy Equipment Repair certificate.

APPENDIX "A"
SHIFT EXCHANGE GUIDELINES

- I. Substitution shall be in accordance with Articles 12.14 and 12.16, except that the Employee working will be considered the least senior Employee in that classification.
- II. The Employee working shall be paid the rate of pay of the classification into which he has exchanged, unless he is substituted, in which case he will receive the rate of pay applicable to the work being performed.
- III. Employees may exchange shifts subject to having the ability and qualifications to perform the work in question.
- IV. Management retains the right to refuse to permit an exchange, and will advise the employee of its reason(s) for such a refusal. Effective January 1, 2006, the use of shift exchanges for the purposes of time away from work will be limited to a maximum of sixty (60) eight (8) hour shifts (480 hours) per employee per calendar year. The allowable number of shift exchanges an employee can accept to work will be dependent on the ability of the employee to work in a safe manner.
- V. Approval must be obtained from the Supervisor by the Employee normally scheduled to work prior to the commencement of the shift for which the exchange is requested. Notice of cancellation must be given by the normally scheduled Employee prior to the commencement of the shift for which the exchange was requested.
- VI. Any hours so worked will not be used for the calculation of overtime.
- VII. Wage loss benefits for employees who have been approved to work a shift exchange shall not be pyramided and shall be limited to no more than one shift per shift exchange period.

APPENDIX "B"
WAGE MAINTENANCE

The following will confirm that employees who lose their permanent position as a result of a layoff and the application of 11.01 of the Collective Agreement will be eligible for wage maintenance at the employees' existing classification until such time as they re-acquire or could have re-acquired a permanent posting for their original classification.

APPENDIX "C"
VOLUNTEER WORK PROGRAM TO ASSIST CO-WORKERS DURING
EMERGENCY SITUATIONS

This program will allow employees to work shifts or partial shifts, for co-workers who are away for an extended period of time due to an unforeseen emergency. The time worked would be volunteer with the earnings being directed to the employee who is away. In doing so the employee who is away would continue to receive all or a portion of his regular earnings as though still at work.

Guidelines for this nature of work are outlined below:

- In general, these provisions would be implemented when an unforeseen family medical or personal emergency arises that is not addressed by current provisions for leave (sick leave, WCB, LOA, or bereavement) and requires an employee to be away for an extended period of time. Approval by the General Manager or designate would be required.
- When implemented, qualified employees would be permitted to work all or a portion (minimum of four (4) hours) of the scheduled shift for the employee who is away. Earnings for this work would be directed to the employee who is away at their regular rate of pay.

NOTE: Qualifications to work as the volunteer may be created through the substitution process.

- The employee doing the work would maintain WCB coverage.
- When implemented, a work schedule for the employee who is away will be posted in the Mine Supervisor's office for volunteers to sign up on.
- Time should be donated as time worked, where possible . However, time donated can be in the form of vacation credits.
- A Company representative and the Unit Chair, or his designate, will discuss the circumstances of the specific Emergency Situation.

LETTER OF AGREEMENT

Between

**PRAIRIE MINES & ROYALTY LTD.
POPLAR RIVER MINE**

- And -

**THE INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS, LOCAL 2067**

Regarding:

TRAINING POLICY ON THE INDENTURESHIP OF APPRENTICES

1. Persons employed as Apprentices shall, as a condition of employment, be required to sign an Apprenticeship Agreement with the Saskatchewan Labour, Apprenticeship and Standards Division and Prairie Mines & Royalty Ltd., Poplar River Mine.
2. Apprentices shall be enrolled in their applicable course of study as provided by the Saskatchewan Labour Apprentice and Standards Division. Tuition and text book costs associated with the course of study shall be paid by the Company. Apprentices enrolled shall be required to successfully complete each level of training as provided through the Saskatchewan Labour Apprenticeship & Standards Division and obtain the Provincial Journeyman Certificate at the completion of the apprenticeship period.
3. Apprentices, while attending such courses provided by the Saskatchewan Labour Apprenticeship & Standards Division, shall be paid an amount equal to their normal straight time wage less an amount equal to the gross CEIC training allowance they are entitled to. The CEIC allowance shall be paid directly to the apprentice. If required to be away from the mine location to attend classes provided by the Saskatchewan Labour Apprenticeship & Standards Division, such an employee shall be deemed to be on legitimate Company business and the provisions of Clauses 22.02 and 22.03 of the Collective Bargaining Agreement shall apply.
4. Apprentices, while in attendance at such classes, shall be subject to the conditions of attendance as established by the designated school. Employees not fulfilling the above conditions shall be laid off.

- 5 . Apprentices failing any of the examinations leading to Journeyman status shall be subject to the following conditions:
- a) An Apprentice receiving notification from the Saskatchewan Labour Apprenticeship and Standards Division that they had failed an examination and provided that Division will allow a rewrite of the examination, the Apprentice must request clearance from the General Manager to rewrite the examination at the first opportunity to do so as scheduled by the Saskatchewan Labour Apprenticeship and Standards Division. Failure to request a rewrite as described above, within one month, shall be construed as a withdrawal from the apprenticeship program and such an employee shall be laid off. The Company shall pay the employee's normal straight-time wages for regularly scheduled work days absent from work and necessary travel and sustenance expenses resulting from or incurred in connection with examination rewrites.
 - b) In cases where the Saskatchewan Labour Apprenticeship and Standards Division will not allow an examination rewrite but a retake of the course is recommended by the designated school and a retake of the course is approved by the General Manager, such employees shall be granted leaves of absence without pay in order to retake the course on their own time and at their own expense.
 - c) Apprentices failing any of the examinations leading to full journeyman status in the trade and after exhausting any rewrite or course retake opportunities afforded them shall be laid off with appropriate notice.

SIGNED THIS 29 DAY OF JUNE, 2011

FOR THE COMPANY

Dan Hammel

Brian Cairns

Richard Pratchler

Corby Cairns

Loretta Miiller

Laura Carter

FOR THE UNION

Jason Tibbs

Dave Bisgaard

Wayne Giraudier

Mike Therrien

Cam Marit

LETTER OF AGREEMENT

Between

**PRAIRIE MINES & ROYALTY LTD.
POPLAR RIVER MINE**

- And -

**THE INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS, LOCAL 2067**

Regarding:

5-YEAR CLAUSE
APPLICATION OF CLAUSE 12.15

The following are intended as guidelines for the application of appointments of employees who qualify under the provisions of Clause 12.15:

1. For an employee to qualify under the provisions of 12.15 he must have been in his present classification for at least 5 consecutive years *excluding apprenticeship or trainee training time. Apprenticeship or trainee training time within a classification will be considered to be that period of time wherein employees are required to pass prescribed examinations at the completion of each year in the classification to advance to the subsequent step in the pay range.

* Bidding directly from "shift" positions to non-shift positions and vice versa within a classification will be considered as consecutive time within a classification (e.g. Shift Mechanic bids Mechanic).
2. For any employee bidding to a classification which has an apprenticeship or trainee training period, the rates to be used will be the maximum rate the employee can achieve without the need for further bidding.
3. If an employee is in a classification or bids to a classification which is defined within the Wages Schedules as a "shift" position, only the basic hourly rate will be used for the determination of Clause 12.15. Shift premiums will not be accredited.
4. If an employee is reverted by the Company following his appointment to a new permanent position, the employee's accumulated time worked in his former position will be credited to him and he will commence to accumulate time upon his return.
5. An employee who bids and is appointed to a temporary bid can retain the accumulated time worked in his permanent position and upon returning to his permanent position the employee will continue to accumulate time for the application of the 5a clause.
6. Any employee who is bumped to a new classification due to layoffs shall retain all time accumulated in the previous classification in addition to time accumulated in the new classification for the purpose of applying clause 12.15.

7. If an employee should return to the classification they were bumped from, they shall begin to re-accumulate time in that classification in addition to time previously held in that classification for the purpose of applying clause 12.15.

SIGNED THIS 29 DAY OF JUNE, 2011

FOR THE COMPANY

Dan Hammel
Brian Cairns
Richard Pratchler
Corby Cairns
Loretta Müller
Laura Carter

FOR THE UNION

Jason Tibbs
Dave Bisgaard
Wayne Giraudier
Mike Therrien
Cam Marit

LETTER OF AGREEMENT

Between

**PRAIRIE MINES & ROYALTY LTD.
POPLAR RIVER MINE**

- And -

**THE INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS, LOCAL 2067**

Regarding:

SUBSTITUTION

1. When an Electrical Foreman or Mechanical Foreman or Welding Foreman is absent from work for a period of one full day or longer and there is no other Foreman available to assume the supervisory responsibilities, the most senior employee from within the same work unit and the same shift who is qualified to assume the supervisory responsibilities will be temporarily assigned to relieve the absent Foreman.
2. In an attempt to have sufficient employees in each work unit qualified to assume supervisory responsibilities, we intend to submit names of the more senior employees concerned to the Chief Inspector of Mines for supervisory certification in accordance with provisions of the Mines Regulations.

SIGNED THIS 29 DAY OF JUNE, 2011

FOR THE COMPANY

Dan Hammel

Brian Cairns

Richard Pratchler

Corby Cairns

Loretta Miiller

Laura Carter

FOR THE UNION

Jason Tibbs

Dave Bisgaard

Wayne Giraudier

Mike Therrien

Cam Marit

LETTER OF AGREEMENT

Between

**PRAIRIE MINES & ROYALTY LTD.
POPLAR RIVER MINE**

- And -

**THE INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS, LOCAL 2067**

Regarding:

100T and 35T Crane

The Company, with input from the mine site Joint Training Committee, shall designate the employees who will be trained to operate the 100T and 35T crane. Such training and refresher training shall be in accordance with OH&S Regulations and the guidelines set by the mine site Joint Training Committee.

In order to ensure compliance with OH&S Regulations, only a competent operator will be assigned to perform tasks involving the operation of the 35 or 100 ton mobile crane. This could be a situation involving not only normal crane operating duties but also duties like installing the jib, or performing maintenance work that requires the movement or operation of the boom, lines or turret. The Parties view these units as specialized pieces of equipment and careful consideration of their use needs to be adhered to.

SIGNED THIS 29 DAY OF JUNE, 2011

FOR THE COMPANY

Dan Hammel
Brian Cairns
Richard Pratchler
Corby Cairns
Loretta Miiller
Laura Carter

FOR THE UNION

Jason Tibbs
Dave Bisgaard
Wayne Giraudier
Mike Therrien
Cam Marit

LETTER OF AGREEMENT

Between

**PRAIRIE MINES & ROYALTY LTD.
POPLAR RIVER MINE**

- And -

**THE INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS, LOCAL 2067**

Regarding:

LONG TERM DISABILITY BENEFITS

Employees who continue to meet the eligibility requirements for Long Term Disability Benefits shall continue to receive those benefits vested in them before their lay off, and/or termination of employment due to temporary or permanent reductions of staff.

SIGNED THIS 29 DAY OF JUNE, 2011

FOR THE COMPANY

Dan Hammel

Brian Cairns

Richard Pratchler

Corby Cairns

Loretta Miiller

Laura Carter

FOR THE UNION

Jason Tibbs

Dave Bisgaard

Wayne Giraudier

Mike Therrien

Cam Marit

LETTER OF AGREEMENT

Between

**PRAIRIE MINES & ROYALTY LTD.
POPLAR RIVER MINE**

- And -

**THE INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS, LOCAL 2067**

Regarding:

FARMING

The parties agree that farming will be performed by seasonal employees of the Company effective March 23, 2011, upon successful ratification of the collective bargaining agreement.

Employees holding these seasonal positions will be subject to the current terms and conditions afforded to seasonal employees. Seasonal employees employed in this position will be paid the rate of a Farming Equipment Operator (Seasonal). If the employee is unable to perform the duties of the position because of conditions beyond the Company's control, the employee may be assigned to perform jobs, for which the employee is qualified, in order to make up the hours required to complete the hours of a regular work week. Upon mutual agreement between the Company, Employee, and the Union, the hours of work may be altered to accommodate the requirements of the position. In any event, the hours will be calculated at thirty-seven and one-third (37 1/3) hours per week averaged over a three (3) week period.

The employee shall be eligible for overtime pay for hours worked in excess of one hundred and twelve (112) hours accumulated in a three (3) week period, unless agreement has been reached to extend the averaged period in excess of three (3) weeks.

Employees employed in these seasonal positions will be eligible for substitution into positions that they are qualified for, provided they follow the overtime administration guidelines. At the conclusion of the farming season, the employee will be subject to layoff. Pre-mining and post-mining lands will continue to be leased to local area farmers, and as such will be excluded from the scope of this agreement. This agreement may be changed subject to mutual agreement between the Incumbent, the Company, and the Union office.

SIGNED THIS 29 DAY OF June, 2011

FOR THE COMPANY

FOR THE UNION

Dan Hammel
Brian Cairns
Richard Pratchler
Corby Cairns
Loretta Miiller
Laura Carter

Jason Tibbs
Dave Bisgaard
Wayne Giraudier
Mike Therrien
Cam Marit

LETTER OF UNDERSTANDING

Between

**PRAIRIE MINES & ROYALTY LTD.
POPLAR RIVER MINE**

- And -

**THE INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS, LOCAL 2067**

Regarding:

ACCUMULATION OF VACATION AND STATUTORY HOLIDAYS

An employees will continue to accumulate vacation entitlement and be eligible for statutory holiday pay at the employee's regular daily rate for a period of one year (12 Months) from the start of absence due to work related or non work related illness or injury.

SIGNED THIS 29 DAY OF JUNE, 2011

FOR THE COMPANY

Dan Hammel
Brian Cairns
Richard Pratchler
Corby Cairns
Loretta Miiller
Laura Carter

FOR THE UNION

Jason Tibbs
Dave Bisgaard
Wayne Giraudier
Mike Therrien
Cam Marit

LETTER OF UNDERSTANDING

Between

**PRAIRIE MINES & ROYALTY LTD.
POPLAR RIVER MINE**

- And -

**THE INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS, LOCAL 2067**

Regarding:

NEW EMPLOYEE ORIENTATION

The parties agree that during the orientation process, a member of the executive of the International Brotherhood of Electrical Workers will be given up to one-half hour to provide the new employee(s) with information about the Union. In the event that there are three or more new employees who require orientation, up to an additional one-half hour will be provided.

SIGNED THIS 29 DAY OF JUNE, 2011

FOR THE COMPANY

Dan Hammel
Brian Cairns
Richard Pratchler
Corby Cairns
Loretta Miiller
Laura Carter

FOR THE UNION

Jason Tibbs
Dave Bisgaard
Wayne Giraudier
Mike Therrien
Cam Marit

LETTER OF AGREEMENT

Between

**PRAIRIE MINES & ROYALTY LTD.
POPLAR RIVER MINE**

- And -

**THE INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS, LOCAL 2067**

Regarding:

Commitment to Competitive Advantage

The Company and the Union agree to continue to work together to improve the overall effectiveness, efficiency, and viability of the Poplar River Mine, and to position it to have the best possible competitive advantage.

The Union and the Company recognize that longevity of employment and profitability of the Company relies on the success of the Company and the vested experience and commitment of its employees.

The Company and Union agree, where potential Business opportunities arise that require the Company to reassess its efficiency by looking at such things as working hours, shift schedules, continuous shifts (particularly in regards to the draglines), and recruitment challenges that they will engage in meaningful discussions to further such opportunities in order to strengthen the Business.

The Company and Union are committed to a process of engagement that best suits the mutual interests of the Company, the Union and Our employees.

SIGNED THIS 29 DAY OF JUNE, 2011

FOR THE COMPANY

Dan Hammel

Brian Cairns

Richard Pratchler

Corby Cairns

Loretta Miiller

Laura Carter

FOR THE UNION

Jason Tibbs

Dave Bisgaard

Wayne Giraudier

Mike Therrien

Cam Marit

LETTER OF AGREEMENT

Between

**PRAIRIE MINES & ROYALTY LTD.
POPLAR RIVER MINE**

- And -

**THE INTERNATIONAL BROTHERHOOD
OF ELECTRICAL WORKERS, LOCAL 2067**

Regarding:

COLA

If, in the time period from December 1, 2011 to November 30, 2012 the Consumer Price Index – Saskatchewan all items Index should rise more than 2.5%, the percentage increase greater than 2.5% over this total period will be applied prior to any negotiated wage increase that would become effective December 1, 2012. All calculations involved in the application of the COLA shall be rounded to the nearest cents per hour.

SIGNED THIS 29 DAY OF JUNE ,2011

FOR THE COMPANY

Dan Hammel

Brian Cairns

Richard Pratchler

Corby Cairns

Loretta Miiller

Laura Carter

FOR THE UNION

Jason Tibbs

Dave Bisgaard

Wayne Giraudier

Mike Therrien

Cam Marit

Negotiating Parties:

FOR THE COMPANY

Dan Hammel
General Manager

Brian Cairns
Mine Manager

Richard Pratchler
Maintenance Manager

Corby Cairns
Manager, Human Resources and
Safety

Loretta Miiller
Director, Human Resources

Laura Carter
Sr. HR and Safety Advisor

FOR THE UNION

Jason Tibbs
Assistant Business Manager

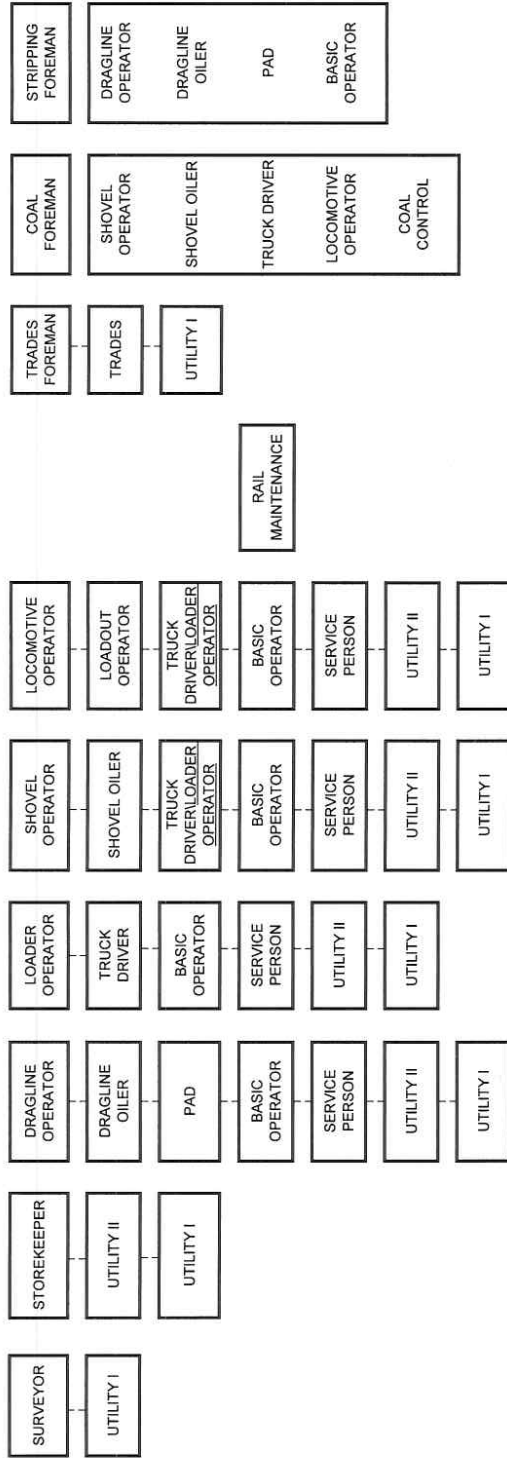
Dave Bisgaard
Unit Chairperson

Wayne Giraudier
Executive Member

Mike Therrien
Executive Member

Cam Marit
Executive Member

Poplar River Mine
Substitution Flow Chart



** Seniority and Qualification Provisions apply