

**PROVISION OF INFORMATION DOCUMENT OF LAW 3401/2005 WITH REGARD TO THE OFFERING IN GREECE OF S&B INDUSTRIAL MINERALS S.A. SECURITIES TO EMPLOYEES AS PART OF THE ANNUAL STOCK OPTION PLAN IMPLEMENTATION (article 4 par. 1. e)**

S&B Industrial Minerals S.A. (S&B or the Company), in the framework of its approved, by the Annual Shareholders General Assembly, Stock Option Plan to senior executives with the option to buy shares of the Company (the plan), and according to article 4 paragraph 1.e of Law 3401/2005, informs the public as follows:

During S&B's Annual General Assembly of the 1<sup>st</sup> of June 2006 a Stock Option Plan was adopted for the Company's senior executives, with the following terms:

1. **110.000 shares in total** to be offered within one year from the date of the plan's initiation. This figure corresponds to 0,3612% of total outstanding shares.

At this General Assembly the Board of Directors was authorized to determine the specific details of the remaining terms and restrictions regarding the exercising of the stock option. By the Board of Directors decision of 27/7/2006 it was determined that the number of shares that will be offered **to the beneficiaries for the year 2006 will be 109.900 shares.**

2. The amount of Euro 8,91 has been set as **strike price**, which equals the average share price of the twenty (20) working days prior to the Annual General Assembly of Euro 9,90, minus 10%.

3. **Eligible members** are certain Company **Senior Executives**, as well as certain executive employees of S&B affiliates or subsidiaries as determined in article 42e par. 5 of codified law 2190/1920.

More specifically, it is proposed that the plan's beneficiaries are the executive employees with HAY classification 24, 25 and 26. The HAY classification has been determined around specific criteria for each position, such as authority, budget responsibility, complexity of responsibilities etc.

At the date the stock options are awarded, for an employee to become eligible under the plan, he/she must have completed at least one year employment in the Company. The Board of Directors may make an exception to beneficiaries or individuals that do not fulfill this prerequisite.

4. Beneficiaries may transfer the shares they will acquire from the company from this plan to any third party. However, they are not allowed to transfer the stock options awarded by the Company from this plan, before they are exercised. Stock options are awarded solely and exclusively to eligible beneficiaries and are strictly personal.

5. ***Number of shares***, that was awarded to each eligible party:

The number of options to be awarded per beneficiary per year is decided by the Board of Directors based on a recommendation by the Compensation Committee, as follows:

**Executive employees in grade 26:** 2.800 to 4.000 options

**Executive employees in grade 25 and 24:** 1.600 to 2.400 options

The number of options awarded per employee is decided based on certain criteria such as individual salary, years of service, performance, potential for advancement etc. Executive Board Members do not participate in the decision concerning themselves.

6. The plan is of **one-year** duration.

7. Beneficiaries have **the right to exercise their options for four consecutive years subsequent to the year their option is awarded**. During this period of five years the option is vested gradually. More specifically, during the first year the beneficiary may exercise options for up to 10% of total options awarded. During the 2<sup>nd</sup> year, the beneficiary may exercise options for up to 40% of total options awarded, during the 3<sup>rd</sup> year for up to 70%, while during the 4<sup>th</sup> and 5<sup>th</sup> year for up to 100%.

8. After options awarded to each beneficiary have been determined, the Board of Directors issues Stock Option Certificates to beneficiaries.

9. In case of employment contract termination or death of a beneficiary the right to exercise the option will be dealt with as follows:

- In case of **voluntary resignation** or **firing**, the option can be exercised only to the extent that it has vested at the time of departure from the Company. The vested stock options should be exercised no later than December of the year following the resignation or departure from the company.

- In case of **retirement**, the right to exercise is fully vested at the time of departure and should be exercised no later than December of the year following the year of retirement.

- In case of **death**, all stock options already awarded vest immediately and can be exercised by the heirs by December of the second year following the year of death.

## SUMMARY DESCRIPTION OF PLAN

The stock options plan was set up according to article 13 par. 9 of codified law 2190/1920 and the Shareholder's Annual General Assembly resolutions of 12.06.2002, 11.06.2003, 02.06.2004, 22.06.2005, and 01.06.2006 on the basis of which the Board of Directors determined the number of shares for each beneficiary, per year, as follows:

- For the year 2002, stock options for a total of 138.200 shares at Euro6,19 per share were awarded, for which the right for 75.610 shares has been exercised by beneficiaries. From the remaining 62.590 shares, 60.690 shares can be exercised by December 2006 from 46 beneficiaries. Also, for the completeness of this information, it is noted that the beneficiaries of the 2002 Program include 4 executives of the company's subsidiaries abroad.

- For the year 2003, stock options for a total of 167.500 shares at Euro6,11 per share were awarded, for which the right for 56.280 shares has been exercised by beneficiaries; the remaining 111.220 shares can be exercised by December 2007. In December 2006, 111.220 shares can be exercised from 49 beneficiaries. Also, for the completeness of this information, it is noted that the beneficiaries of the 2003 Program include 9 executives of the company's subsidiaries abroad.

- For year 2004 stock options for a total of 150.000 shares at Euro5,48 per share were awarded, for which the right for 31.440 shares has been exercised by beneficiaries; the remaining 118.560 shares can be exercised by December 2008. In December 2006, 76.650 shares can be exercised from 50 beneficiaries. Also, for the completeness of this information, it is noted that the beneficiaries of the 2004 Program include 10 executives of the company's subsidiaries abroad.

- For year 2005 stock options for a total of 146.300 shares at Euro5,35 per share were awarded, for which the right for 6.780 shares has been exercised by beneficiaries; the remaining 139.520 shares can be exercised by December 2009. In December 2006, 51.740 shares can be exercised from 39 beneficiaries. Also, for the completeness of this information, it is noted that the beneficiaries of the 2005 Program include 17 executives of the company's subsidiaries abroad.

- For year 2006 stock options for a total of 109.900 shares at Euro8,91 per share were awarded, for which the rights were not exercised yet; they can be exercised by December 2010. In December 2006, 10.990 shares can be exercised from 32 beneficiaries. Also, for the completeness of this information, it is noted that the beneficiaries of the 2006 Program include 20 executives of the company's subsidiaries abroad.

**In December 2006, the option to buy shares can be exercised from 51 beneficiaries. Also, for the completeness of this information, it is noted that beneficiaries are also 24 executives of the company's subsidiaries abroad.**

**Stock options will be exercised within the first five (5) days of December. At the time the right is exercised, the strike price is paid. The Board of Directors convenes in December to decide the share capital increase and determine the number of new shares and certify this increase.**

Mr Sotiris Hatzikos, Chief Financial Officer of S&B Industrial Minerals S.A. is responsible for this information document and the accuracy of its content.  
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