



S&B Industrial Minerals S.A.
Company's No 110/06/B/86/11 in the register of Societes Anonymes
Andrea Metaxa 15 - 145 64 Kifissia

USE OF FUNDS RAISED FROM SHARE CAPITAL INCREASE BY PAYMENT IN CASH WITH PREFERENCE RIGHT TO EXISTING SHAREHOLDERS, IN ACCORDANCE WITH THE DECISION OF THE GENERAL MEETING OF SHAREHOLDERS HELD ON 16.06.2009 AND WITH THE DECISION OF THE BOARD OF DIRECTORS HELD ON 05.08.2009.

The Athens Exchange (ATHEX), by its decision dated 23.09.2009, approved the share capital increase of the Company through the rights offering of 10.356.440 new ordinary registered shares by payment in cash. The total funds raised amounted to € 41.425.760,00. The Company's Board of Directors certified the share capital increase at its meeting dated 22.09.2009 and the new shares commenced trading on the ATHEX on 25.09.2009.

TABLE OF USE OF RIGHTS ISSUE PROCEEDS

Use of raised funds (amounts in €)	Total funds raised	Total funds used	Balance as of 31.12.2009 to be used in 2010
		Year 2009	
1. Repayment of outstanding loans	38.000.000,00	23.000.000,00	15.000.000,00
2. Working capital needs	2.846.221,57	2.846.221,57	0
3. Rights issue costs	579.538,43	579.538,43	0
Total	41.425.760,00	26.425.760,00	15.000.000,00

Note:

The funds raised from the above mentioned share capital increase of the Company were exclusively used for the purposes of the share capital increase as stated in the Offering Circular (par. 4.4) approved by the Hellenic Capital Market Commission on 24.08.2009.

Kifissia, March 10, 2010

**The Chairman of the Board of
Directors**

Ulysses P. Kyriacopoulos
ID No Ε164488

The Chief Executive Officer

Efthimios O. Vidalis
ID No Σ237368

The Chief Financial Officer

Kriton St. Anavlavis
ID No Π062025

The Controller Greece

Nikolaos Ch. Ioakim
A' Class License No 0002714

**Report of factual findings from agreed-upon procedures performed
on the report of use of funds raised from share capital increase**

To the Board of Directors of S&B Industrial Minerals S.A.

In accordance with the decision made by the Board of Directors of S&B Industrial Minerals S.A (the Company), we have performed the procedures agreed with you and enumerated below in compliance with the regulatory framework set by the Athens Exchange and the Hellenic Capital Markets Commission, related to the report on the use of funds raised from share capital increase in cash dated September 23, 2009 ("the Report"). The Company's management has the responsibility for the preparation of the above mentioned Report. Our engagement was undertaken in accordance with the International Standard on Related Services ISRS 4400 - "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information" applicable to agreed-upon procedures regarding financial information. Our responsibility is to perform the agreed-upon procedures enumerated below, and disclose our findings to you.

Procedures:

1. We compared the amounts presented as uses of funds in the Report, with the respective amounts that were recorded in the Company's books and records during the relevant period.
2. We examined the completeness of the Report and the consistency of its content with the Offering Circular issued by the Company and with the relevant decisions and releases of Company's Management.

Findings:

1. The amounts presented as uses of funds in the Report, derive from the Company's books and records for the relevant period.
2. The content of the Report includes at a minimum the information provided by the Athens Exchange and the Hellenic Capital Markets Commission and is consistent with the content of the Offering Circular and the relevant decisions and releases of Company's Management.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any other assurance except for as mentioned above. Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

This report is exclusively addressed to the Company's Board of Directors in compliance with the rules set by the Athens Exchange and the Greek Capital Markets Commission. Consequently, this report is not to be used for any other purpose as it relates only to the issues specified above and does not extend to the financial statements of the Company as at and for the year ended December 31, 2009 for which we have issued an Audit Report dated March 10, 2010

Athens, March 10, 2010

The Certified Auditor Accountant

VASSILIOS KAMINARIS

SOEL No 20411

ERNST & YOUNG (HELLAS)

CERTIFIED AUDITORS ACCOUNTANTS S.A

11th KM NATIONAL ROAD ATHENS-LAMIA

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