
EUROPEAN STOCK PURCHASE AGREEMENT

BETWEEN

CYPRUS MINES CORPORATION

and

TALC DE LUZENAC S.A.

Dated as of June 5, 1992

PLAINTIFF'S
EXHIBIT
CAM-242

EUROPEAN STOCK PURCHASE AGREEMENT dated as of June 5, 1992 (herein referred to as the "Agreement") by and between Cyprus Mines Corporation, a Delaware Corporation ("Seller"), and Talc de Luzenac S.A., a company organized under the laws of France ("Buyer").

W I T N E S S E T H:

WHEREAS, Seller is the sole record and beneficial owner of all issued and outstanding shares of capital stock of Cyprus Industrial Minerals de France SARL, a company organized under the laws of France ("CIMF") and Mistrion Mineralien GmbH, a company organized under the laws of Germany (together with CIMF, referred to herein as the "Companies")

WHEREAS, Seller, Cyprus Minerals Company, a Delaware corporation, and RTZ America Inc., a Delaware corporation ("RTZ") have entered into a Stock Purchase Agreement dated as of June 5, 1992 (the "Stock Purchase Agreement");

WHEREAS, upon the terms and conditions hereinafter set forth, Seller desires to sell or cause the sale of, and Buyer desires to purchase, all of the issued and outstanding shares of the Companies (the "Shares");

NOW, THEREFORE, in reliance upon the representations and warranties made herein and in consideration of the mutual agreements herein contained, Buyer and Seller hereby agree as follows:

1. Definitions. All capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Stock Purchase Agreement.

2. Sale and Purchase. Upon the terms and subject to the conditions contained herein, Seller will sell and transfer to Buyer, or cause the sale and transfer to Buyer of, and Buyer will purchase and accept, at the Closing, the Shares.

3.1. Closing. The closing of the transactions provided for herein (the "European Closing") will take place at the offices of Sullivan & Cromwell at 125 Broad Street, New York, New York simultaneously with the Closing under the Stock Purchase Agreement.

3.2. Transactions on the Closing Date. (a) At the European Closing, Seller will deliver or cause to be delivered to Buyer the following:

(i) stock certificates evidencing the Shares, in each case endorsed in blank or with an executed blank stock power attached, and in form suitable for transfer of valid title thereto to Buyer or its assigns, free and clear of any Encumbrances.

(ii) resignations of each of the directors and officers of each Company (except as Buyer may specify to Seller prior to Closing);

(iii) resignations of such auditors, if any, for each Company as Buyer may specify to Seller prior to Closing; and

(iv) each of the certificates and other documents required by Section 12 hereof.

(b) At the Closing, Buyer will deliver to Seller each of the certificates and other documents required by Section 11 hereof.

3.3. Termination. Anything contained in this Agreement other than in this Section 3.3 to the contrary notwithstanding, this Agreement may be terminated at any time prior to the European Closing:

(a) by mutual consent of Buyer and Seller; or

(b) if the Stock Purchase Agreement is terminated in accordance with its terms by either Buyer or Seller.

4. Representations and Warranties of Seller.

Seller represents and warrants to Buyer that:

(a) Seller, and each of the Companies is a corporation duly incorporated, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with, in the case of Seller, the corporate power and authority to enter into this Agreement and to perform its obligations hereunder. Each of the Companies is qualified to do business in each jurisdiction in which the nature of its business requires it to be so qualified, except where failure to be so qualified would not have a material adverse effect on the assets, business, financial conditions, results of operations or prospects of such Company. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all requisite corporate action on the part of Seller. This Agreement has been duly executed and delivered by Seller and

constitutes the valid, binding and enforceable obligation of Seller.

(b) none of Seller or any of the Companies is subject to or bound by any provision of

(i) any law, statute, rule, regulation or judicial or administrative decision,

(ii) any articles or certificates of incorporation or by-laws,

(iii) any mortgage, deed to secure debt, deed of trust, lease, note, shareholders' agreement, bond, indenture, other instrument or agreement, license, permit, trust, custodianship or other restriction, or

(iv) any judgment, order, writ, injunction or decree of any court, governmental body, administrative agency or arbitrator,

that would prevent or be violated by or under which there would be a default as a result of, nor is the consent of any Person under any material contract or agreement to which any of the Companies or any of its predecessors is a party, which consent has not been obtained, required for the execution, delivery and performance by Seller of this Agreement and the transactions contemplated hereby.

(c) All of the issued and outstanding shares of capital stock of each of the Companies are duly authorized, validly issued, fully paid and nonassessable. There are no outstanding options, warrants or other rights of any kind to acquire any additional shares of capital stock of any of the Companies or securities convertible into or exchangeable for, or which otherwise confer on the holder thereof any right to acquire, any such additional shares, nor is any of the Companies committed to issue any such option, warrant, right or security. The Shares are owned of record and beneficially by Seller. Seller has good and valid title to the Shares, free and clear of any and all Encumbrances and good and valid title to the Shares, free and clear of any and all Encumbrances will pass to Buyer at the European Closing.

(d) To the Knowledge of Seller, except as disclosed in the Reference Balance Sheet as of March 31, 1992 there were no actual or contingent debts, liabilities or obligations of any of the Companies which were required to be disclosed on the Reference Balance Sheet or any note thereto by the Accounting Principles as applied by the

Companies nor any contingent debts, liabilities or obligations of any of the Companies.

(e) To the Knowledge of Seller, since December 31, 1991, except as specifically required by the Agreement to consummate the transactions contemplated by the Agreement, the Companies have conducted their businesses in the ordinary and usual course, and there has not been (i) any change or amendment to the charter, by-laws or other organizational agreements of any of the Companies, (ii) any issuance or sale of any shares of capital stock of any of the Companies, or options, warrants or other rights of any kind to acquire any such shares or securities convertible into or securities exchangeable for, or which otherwise confer on the holder thereof any rights to acquire, any such shares, or enter into any agreement obligating it to do any of the foregoing, (iii) any non-cash dividends declared, set aside, paid or made with respect to the capital stock of any of the Companies, (iv) any damage, destruction or other casualty loss of any asset or assets of the Companies (whether or not covered by insurance) which, singly or in the aggregate, has a Material Adverse Effect, (v) any increase in the compensation payable or to become payable by any of the Companies to any of its officers, directors or employees, or any increase in any bonus, insurance, pension or other employee benefit plan, payment or arrangement made by any of the Companies for or with any such officers, directors or employees, except in the ordinary course of business consistent with past practice, (vi) any labor dispute, other than routine labor matters, (vii) any transaction between any of the Companies on the one hand and any of Seller, or any of its Affiliates (other than the Companies) on the other hand, other than transactions in the ordinary and usual course of business, or (viii) any other event or change of condition of any character which, singly or in the aggregate, has had or is reasonably likely to have a Material Adverse Effect.

(f) To the Knowledge of Seller, there is no action, suit, proceeding or investigation pending or threatened against any Company at law, in equity or otherwise, in, before, or by any court or governmental agency or authority. To the Knowledge of Seller, there are no unsatisfied judgments or outstanding orders, injunctions, decrees, stipulations or awards (whether rendered by a court, an administrative agency or by an arbitrator) against any of the Companies.

(g) To the Knowledge of Seller, the business of each Company is being conducted, and has at all times during the last three years been conducted by a Company or its predecessor, in material compliance with all laws,

ordinances and regulations of any governmental entity, common law and equitable doctrines applicable to such Company (including, without limitation, those relating to human health and safety). To the Knowledge of Seller, all material governmental approvals, permits and licenses required by any Company in connection with the conduct of its business have been obtained and are in full force and effect and are being complied with in all material respects.

(h) (i) all Returns with respect to Taxes that are required to have been filed prior to the date of this Agreement by or with respect to the Companies or any group of corporations that includes the Companies and files returns on a consolidated, combined, unitary or similar basis, have been duly filed, (ii) all Taxes shown to be due on the Returns referred to in clause (i) or in assessments received have in either case been paid in full, (iii) the Returns referred to in clause (i) have been examined by the appropriate taxing authority or the period for assessment of the Taxes in respect of which such Returns were required to be filed has expired, (iv) all deficiencies asserted or assessments made as a result of such examinations have been paid in full, (v) no issues that have been raised by the relevant taxing authority in connection with the examination of any of the Returns referred to in clause (i) are currently pending, (vi) no waivers of statutes of limitation have been given or requested by or with respect to any Taxes of the Companies or any group described in clause (i), (vii) there are no adjustments required by carryover items that would affect the income tax liability of the Companies for a tax year that ends after the Closing Date and (viii) no adjustments have been made or proposed by the appropriate taxing authority with respect to any of the Returns referred to in clause (i) which would in any way affect the liability for Taxes of any of the Companies for any taxable year ending after the Closing Date.

(i) The Companies have no liability under any benefit plan, contract or arrangement (regardless of whether they are funded or unfunded, foreign or domestic, contractual or not) covering current employees or former employees of the Companies, including, but not limited to, plans of deferred compensation, provided, however, that Seller does not make any representations or warranties hereunder regarding the funding of the Benefit Plans listed on Schedule 5.14 to the Stock Purchase Agreement that covers employees of the Companies.

(j) To the Knowledge of Seller all written information which has been given by Seller or any representative of Seller to Buyer or any representative of Buyer, is true, complete and accurate in all material

respects and there are no facts, matters or circumstances which render any such information inaccurate or misleading in any material respect.

5. Representations and Warranties of Buyer.
Buyer represents and warrants to Seller that:

(a) Buyer is a company organized under the laws of France with the corporate power and authority to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all requisite corporate action on the part of Buyer. This Agreement has been duly executed and delivered by Buyer and, constitutes the valid, binding and enforceable obligation of Buyer.

(b) Buyer is not subject to or bound by any provision of

(i) any law, statute, rule, regulation or judicial or administrative decision,

(ii) any articles or certificates of incorporation or by-laws,

(iii) any mortgage, deed to secure debt, deed of trust, lease, note, shareholders' agreement, bond, indenture, other instrument or agreement, license, permit, trust, custodianship, other restriction, or

(iv) any judgment, order, writ injunction or decree of any court, governmental body, administrative agency or arbitrator,

that would prevent or be violated by or under which there would be a default as a result of, nor is the consent of any Person under any material contract or agreement which has not been obtained required for, the execution, delivery and performance by Buyer of this Agreement and the transactions contemplated hereby.

6. Access and Information. Seller shall permit Buyer and its representatives (including, without limitation, its public accountants, counsel and other advisors) after the date of this Agreement to have access during normal business hours, upon reasonable advance notice to Seller to the officers and directors of the Companies and/or the Seller (as appropriate), the auditors of the Companies and any and all of the premises, properties, contracts, books, records and data of or relating to each of

the Companies. All information provided to Buyer pursuant hereto shall be subject to that certain confidentiality agreement executed by an affiliate of Buyer and dated April 24, 1991 (the "Confidentiality Agreement").

7. Conduct of Business; Intercompany Accounts.

(a) Prior to the Closing Seller covenants and agrees that:

(i) it will cause the businesses conducted by the Companies to be operated only in the ordinary and usual course and use all reasonable efforts to preserve the properties and relationships with suppliers and customers of such businesses;

(ii) it will cause each Company not to issue or sell any shares of capital stock of such Company, or issue or sell any options, warrants or other rights of any kind to acquire any such shares or securities convertible into or exchangeable for, or which otherwise confer on the holder thereof any right to acquire, any such shares, or enter into any agreement obligating it to do any of the foregoing;

(iii) it will not, other than in the ordinary course of business, cause the transfer of any material assets or contracts, or hire, fire or transfer any key employees to or from any subsidiary, division or other business unit within or among the Companies;

(iv) it will cause each of the Companies not to change or amend its charter, by-laws or other organization agreements;

(v) it will cause the Companies not to acquire or to dispose of any property, right or other asset employed in the business of the Companies, other than in the ordinary course of business;

(vi) it will cause the Companies to keep in full force and effect insurance on assets and Real Property and other property of the Companies or for the benefit of employees of the Companies, liability and other casualty insurance related to the Companies, and bonds on personnel of the Companies in accordance with the past practices of the Companies, and it will ensure that all proceeds received under such insurances will remain assets of the Companies at the Closing;

(vii) it will cause the Companies not to enter into or to amend any employment, bonus, severance

or retirement contract or arrangement or any employee benefit plan with regard to the Companies;

(viii) it will cause the Companies not to increase any salary or other form of compensation payable or to become payable to any of the executives or employees of the Companies, or to pay any bonuses to any of such executives or employees, except for payments or increases made in the ordinary course and for such payments to be made pursuant to the bonus or profit sharing provisions of the employment agreements listed on Schedule 4.14 of the Stock Purchase Agreement;

(ix) it will cause the Companies not to enter into, make, agree upon or to agree to enter into (A) other than in the ordinary course, any contract, purchase or sale order, or other commitment, or (B) any real property lease requiring an expenditure or payment in excess of [REDACTED] per annum or which cannot be terminated by the relevant Company within a period not exceeding 12 months;

(x) it will cause the Companies not to incur any debt or obligation for borrowed funds and not to extend credit in the sale of products, collection of receivables or otherwise, other than in the ordinary and regular course of business;

(xi) it will cause the Companies not to take any action and not to cause any action to be taken by any party, which action would materially and adversely affect the businesses of any of the Companies. It will not permit any Company to fail to exercise any option to extend or exercise any option to terminate any Lease between the date hereof and the Closing without Buyer's prior written consent as to each such non-extension or termination of any Lease, or amend or modify any such Lease except in the ordinary course;

(xii) it will not permit any of the Companies to wind up, liquidate or dissolve or to enter into any transaction of merger or consolidation; and

(xiii) it will not, and it will not permit any of the Companies to, agree to take any of the foregoing actions.

(b) Seller and Buyer agree that all intercompany accounts between Seller or any Affiliate of Seller (other than a Company) and any Company shall be settled with payment effective prior to the European

Closing, and to the extent such settlement is not feasible at or prior to the European Closing, shall be settled as soon as practicable after the European Closing, and such settlement shall be effective as of prior to the Closing.

8. Books and Records. Except for tax records covered by Section 7.6(f), Buyer will, and will cause each Company to, for a period of six years after the Closing, retain all books, records and other documents pertaining to the businesses of the Companies in existence on the Closing Date and to make the same available after the Closing Date for inspection and copying by Seller or any Affiliate of Seller at Seller's expense during the normal business hours of Buyer or such Company, as applicable, upon reasonable request and upon reasonable notice. Without limiting the generality of the foregoing, Buyer will, and will cause each Company to, make available to Seller, the Affiliates of Seller and their respective representatives all information deemed necessary or desirable by Seller or such Affiliates in preparing their respective financial statements and Tax returns and conducting any audits in connection therewith.

9. Announcements. Prior to the Closing, neither Seller nor Buyer will issue any press release or otherwise make any public statement with respect to this Agreement and the transactions contemplated hereby without the prior written consent of the other (which consent shall not be unreasonably withheld), except as may be required by applicable law or stock exchange.

10. Best Efforts. Subject to the terms and conditions herein provided, each of Buyer and Seller agree to use their respective best efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective the transactions contemplated by this Agreement.

11. Condition Precedent of Seller. The obligation of Seller to consummate the transactions described in Section 2 hereof is subject to the fulfillment of each of the following conditions prior to or at the European Closing:

(a) The representations and warranties of Buyer made hereunder shall be true in all material respects at and as of the Closing Date, with the same force and effect as though made at and as of the Closing Date, except for changes permitted or contemplated by this Agreement and except to the extent that any representation or warranty is made as of a specified date, in which case such representation or warranty shall be true in all material respects as of such date.

(b) Buyer shall have performed and complied in all material respects with all its undertakings and agreements required by this Agreement to be performed or complied with by Buyer prior to or at the Closing.

(c) Seller shall have been furnished with certificates of an authorized officer of Buyer, dated the Closing Date, certifying to the effect that the conditions contained in Sections 11(a) and (b) have been fulfilled.

(d) No injunction, restraining order or decree of any nature of any court or governmental or regulatory authority shall exist against Buyer, Seller, any Company or any of their respective Affiliates, or any of the principals, officers or directors of any of them, that restrains, prevents or materially changes the transactions contemplated hereby.

(e) All material consents, approvals and authorizations of governmental and regulatory authorities, and all material filings with and notifications of governmental authorities and regulatory agencies or other entities which regulate the business of Seller, any Company or Buyer, necessary on the part of Seller, any Company or Buyer, or their respective Affiliates, to the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, shall have been obtained or effected.

(f) Seller shall have received such evidence as Seller may reasonably request in order to establish (i) the power and authority of Buyer to consummate the transactions contemplated by this Agreement and (ii) compliance with the conditions of European Closing set forth herein.

(g) The Closing contemplated by the Stock Purchase Agreement shall take place simultaneously with the European Closing contemplated hereby.

12. Conditions Precedent of Buyer. The obligation of Buyer to consummate the transactions described in Section 2 hereof is subject to the fulfillment of each of the following conditions prior to or at the European Closing:

(a) The representations and warranties of Seller made hereunder shall be true in all material respects at and as of the Closing Date, with the same force and effect as though made at and as of the Closing Date, except for changes permitted or contemplated by this Agreement and except to the extent that any representation or warranty is made as of a specified date, in which case such

representation or warranty shall be true in all material respects as of such date; provided that Buyer may not invoke this Section 12(a), unless the untruthfulness of the representations and warranties in the aggregate constitute a material adverse change, or unanticipated and undisclosed material liability previously unknown to Buyer which would have a material adverse effect, on the talc business of the Companies as a whole.

(b) Seller shall have performed and complied in all material respects with all of its undertakings and agreements required by this Agreement to be performed or complied with by it prior to or at the Closing; provided that Buyer may not invoke this Section 12(b), unless the non-compliance, in the aggregate would have a material adverse effect, on the talc business of the Companies as a whole.

(c) Buyer shall have been furnished with a certificate of an authorized officer of Seller, dated the Closing Date, certifying to the effect that the conditions contained in Sections 12(a) and (b) have been fulfilled.

(d) No injunction, restraining order or decree of any court or governmental or regulatory authority shall exist against Buyer, Seller, any Company or any of their respective Affiliates, or any of the principals, officers or directors of any of them, that restrains, prevents or materially changes the transactions contemplated hereby.

(e) All material consents, approvals and authorizations of governmental and regulatory authorities, and all filings with and notifications of governmental authorities and regulatory agencies or other entities which regulate the business of Seller, any Company or Buyer, necessary on the part of Seller, any Company or Buyer, or their respective Affiliates, to the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, shall have been obtained or effected; provided that Buyer may not invoke this Section 12(e) unless the failure to obtain or effect such consents, approvals and authorizations, in the aggregate would have a material adverse effect, on the talc business of the Companies as a whole.

(f) Buyer shall have received such evidence as Buyer may reasonably request in order to establish (i) the power and authority of Seller to consummate the transactions contemplated by this Agreement and (ii) compliance with the conditions of European Closing set forth herein.

(g) The Closing contemplated by the Stock Purchase Agreement shall take place simultaneously with the European Closing contemplated hereby.

13. Survival of Representations and Warranties.

(a) Except as specified in Section 13(b) below, all representations and warranties of Seller included or provided for herein or in any certificate or other document delivered pursuant to this Agreement shall survive for a period of twelve (12) months after the European Closing and shall thereafter expire except with respect to breaches and violations theretofore specified to Seller by Buyer, the Companies or their successors.

(b) The representations and warranties contained in Sections 4(a), (c) and (h) of this Agreement shall survive the Closing Date until the expiration of the limitation period under the applicable statutes of limitations (or any extensions thereof) and thereafter shall expire except with respect to breaches or violations theretofore specified to Seller by Buyer, the Companies or their successors.

14. Indemnification of Buyer and its Affiliates. Subject to Section 16, Seller agrees to defend, indemnify and hold harmless Buyer, its Affiliates and its successors and assigns (individually, a "Buyer Indemnitee", and collectively, the "Buyer Indemnitees") against and in respect of:

(a) any and all Damages caused by, resulting or arising from or otherwise relating to (i) any failure by Seller to perform or otherwise fulfill or comply with any provision of this Agreement; or (ii) any Breach of any representation or warranty of Seller hereunder;

(b) any and all actions, suits, proceedings, claims, liabilities, demands, assessments, judgments, costs and expenses, including reasonable attorneys' fees, directly relating to such indemnification.

15. Indemnification of Seller and Its Affiliates. Subject to Section 16, Buyer agrees to defend, indemnify and hold harmless Seller and Seller's Affiliates, and their respective successors and assigns (individually, a "Seller Indemnitee", and collectively, the "Seller Indemnities") against and in respect of:

(a) any and all Damages caused by, resulting or arising from or otherwise relating to (i) any failure

by Buyer to perform or otherwise fulfill or comply with any provision of this Agreement, or (ii) any Breach of any representation or warranty of Buyer hereunder;

(b) any and all actions, suits, proceedings, claims, liabilities, demands, assessments, judgments, costs and expenses, including reasonable attorneys' fees, directly relating to such indemnification.

16. Limitations on Indemnifications. The provisions for indemnity under Sections 14 and 15 shall be effective only when the aggregate amount of all claims for which Seller or Buyer is liable under Sections 14 or 15 (added together with all claims under the Stock Purchase Agreement), respectively, exceeds [REDACTED], in which case such party shall be liable for all such amounts; provided, however, that in no event shall either Buyer or Seller be liable for more than an amount in the aggregate equal to [REDACTED] for all claims made against it under Sections 14 or 15 (added together with all claims under the Stock Purchase Agreement), respectively; provided, further, however, that no claim for any single item may be made under Sections 14 or 15, respectively, if the amount of such claim is less than [REDACTED].

17. Claims. Any claim for indemnity under Section 14 and 15 hereof shall be made by written notice from the Indemnatee to the Indemnifying Party specifying in reasonable detail the basis of the claim. Except as otherwise provided herein, when an Indemnatee seeking indemnification under Section 14 or 15 receives notice of any claims made by third parties ("Third Party Claims") which is to be the basis for a claim for indemnification hereunder, the Indemnatee shall give prompt written notice thereof to the Indemnifying Party reasonably indicating (to the extent known) the nature of such claims and the basis thereof. Upon notice from the Indemnatee, the Indemnifying Party may, but shall not be required to, assume the defense of any such Third Party Claims, including its compromise or settlement, and the Indemnifying Party shall pay all reasonable costs and expenses thereof and shall be fully responsible for the outcome thereof; provided, however, that in such case, the Indemnifying Party shall have no obligation to pay any further costs or expense of legal counsel of the Indemnatee in connection with such defense and, provided, further, that the Indemnifying Party may not settle or compromise any Third Party Claims without the Indemnatee's prior written consent (which consent shall not be unreasonably withheld). The Indemnifying Party shall give notice to the Indemnatee as to its intention to assume the defense of any such Third Party Claims within twenty (20) business days after the date of receipt of the

Indemnatee's notice in respect of such Third Party Claims. If an Indemnifying Party does not, within twenty (20) business days after the Indemnatee's notice is given, give notice to the Indemnatee of its assumption of the defense of the Third Party Claims, the Indemnifying Party shall be deemed to have waived its rights to control the defense thereof. If the Indemnatee assumes the defense of any Third Party Claims because of the failure of the Indemnifying Party to do so in accordance with this Section 17 the Indemnifying Party shall pay all reasonable costs and expenses of such defense and shall be fully responsible for the outcome thereof. The Indemnifying Party shall have no liability with respect to any compromise or settlement thereof effected without its prior written consent (which consent shall not be unreasonably withheld).

18. Further Assurances. From time to time after the European Closing, Seller will execute and deliver, or cause to be executed and delivered, such documents to Buyer as Buyer shall reasonably request in order to vest more effectively in Buyer good title to the Shares or otherwise consummate more effectively the transactions contemplated by this Agreement, and from time to time after the Closing, Buyer will execute and deliver, or cause to be executed and delivered, such documents to Seller as Seller shall reasonably request in order to consummate more effectively the transactions contemplated by this Agreement.

19. Expenses. Each of the parties hereto shall pay the fees and expenses of its respective counsel, accountants and other experts and shall pay all other expenses incurred by it in connection with the negotiation, preparation and execution of this Agreement and the consummation of the transactions contemplated hereby.

20. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the law of the State of New York without reference to choice of law principles, including all matters of construction, validity and performance.

21. Notices. All notices, requests, permissions, waivers, and other communications hereunder shall be in writing and shall be deemed to have been duly given if signed by the respective persons giving them (in the case of any corporation the signature shall be by an officer thereof) and delivered by hand, or by United States mail (registered, return receipt requested), properly addressed and postage prepaid:

If to Seller, to:

Cyprus Mines Corporation
9100 Mineral Circle
P.O. Box 3299
Englewood, Colorado 80155

Attention: Chief Executive Officer

with a copy to:

Cyprus Mines Corporation
9100 Mineral Circle
P.O. Box 3299
Englewood, Colorado 80155

Attention: General Counsel

If to Buyer, to:

Talc de Luzenac S.A.
c/o Borax Consolidated Limited
Borax House
Carlisle Place
London
SW1P 1HT

Attention: Mr. F. Alan S. Lesser

RTZ Corporation PLC
6 St. James's Square
London SW1Y 4LD

Attention: Charles H.H. Lawton Esq.

Sullivan & Cromwell
St Olave's House
9a Ironmonger Lane
London EC2V 8EY

Attention: David M. Kies, Esq.

Such names and addresses may be changed by such notice.

22. Entire Agreement. This Agreement, the Stock Purchase Agreement and the Confidentiality Agreement contains the entire understanding of the parties hereto with respect to the subject matter contained herein, supersedes and cancels all prior agreements, negotiations, correspondence, undertakings and communications of the parties, oral or written, respecting such subject matter.

23. Amendments. This Agreement may be amended only by a written instrument executed by the parties or their respective successors or assigns.

24. Headings; References. The section headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. All references herein to "Sections" shall be deemed to be references to Sections hereof unless otherwise indicated.

25. Counterparts. This Agreement may be executed in one or more counterparts and each counterpart shall be deemed to be an original.

26. Parties in Interest; Assignment. This Agreement shall inure to the benefit of and be binding upon Seller and Buyer and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended to confer upon any Person not a party to this Agreement any rights or remedies under or by reason of this Agreement. No party to this Agreement may assign or delegate all or any portion of its rights, obligations or liabilities under this Agreement without the prior written consent of the other party to this Agreement; provided, however, that Seller shall have the right to assign or delegate any portion of its rights, obligations or liabilities hereunder to any Affiliate of Seller, so long as Seller shall remain fully liable for the fulfillment of all of its obligations and liabilities hereunder; and provided, further, that Buyer shall have the right to assign or delegate any or all of its rights, obligations or liabilities hereunder to any Affiliate of Buyer, so long as Buyer shall remain fully liable for the fulfillment of all of its obligations hereunder.

27. Severability; Enforcement. The invalidity of any portion hereof shall not affect the validity, force or effect of the remaining portions hereof. If it is ever held that any restriction hereunder is too broad to permit enforcement of such restriction to its fullest extent, each party agrees that a court of competent jurisdiction may enforce such restriction to the maximum extent permitted by law, and each party hereby consents and agrees that such scope may be judicially modified accordingly in any proceeding brought to enforce such restriction.

28. Jurisdiction. Buyer and Seller hereby irrevocably and unconditionally submit to the exclusive jurisdiction of the state and federal courts located in the Borough of Manhattan, The City of New York, for any actions, suits, or proceedings arising out of or relating to this

Agreement and the transactions contemplated hereby (and Buyer and Seller agree not to commence any action, suit or proceeding relating thereto except in such courts), and further agree that service of any process, summons, notice or document by U.S. registered mail to its address set forth above shall be effective service of process of any action, suit or proceeding brought against it in any such court. Buyer and Seller hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the transactions contemplated hereby in such state or federal courts as aforesaid and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

29. Waiver. Any of the conditions to the European Closing set forth in this Agreement may be waived at any time prior to or at the European Closing hereunder by the party entitled to the benefit thereof. The failure of any party hereto to enforce at any time any of the provisions of this Agreement shall in no way be construed to be waiver of any such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of such party thereafter to enforce each and every such provisions. No waiver of any breach of or non-compliance with this Agreement shall be held to be a waiver of any other or subsequent breach of non-compliance.

30. Interest. If any party to this Agreement defaults in the payment when due of any sum payable under this Agreement (whether determined by agreement or pursuant to an order of a court or otherwise), the liability of such party shall be increased to include interest on such sum from the date when such payment shall be due until the date of actual payment at a rate per annum (but not in excess of the maximum lawful rate) of three percent above the rate for three-month deposits in the London interbank market in the currency of payment, as announced by Citibank N.A. as of 11:00 A.M., London time, on the date when such payment shall be due.

IN WITNESS WHEREOF, the parties hereto have duly
executed this Agreement as of the date first above written.

CYPRUS MINES CORPORATION

By

Name:

Title: SENIOR VICE PRESIDENT

TALC DE LUZENAC S.A.

By

Name:

Title: Director

AMENDMENT TO EUROPEAN STOCK PURCHASE AGREEMENT

AMENDMENT dated as of June 30, 1992, to the EUROPEAN STOCK PURCHASE AGREEMENT dated June 5, 1992 by and between Cyprus Mines Corporation, a Delaware corporation ("Seller") and Talc de Luzenac S.A., a company organized under the laws of France ("Buyer").

WHEREAS, on June 5, the parties entered into the European Stock Purchase Agreement (the "Agreement");

WHEREAS, the parties desire to make certain conforming changes to the Agreement to confirm the intent of the parties;

NOW THEREFORE, in consideration of the mutual covenants set forth herein and in the Agreement, the parties hereby agree as follows:

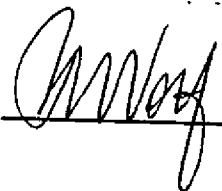
1. The Agreement is hereby amended to insert and delete specified words and phrases as follows:

- (a) On page 1, first WHEREAS clause, line 4, insert "through its wholly owned subsidiary Cyprus Industrial Minerals Corporation, a Delaware corporation ("Cyprus") is the beneficial owner of all outstanding shares of capital stock of" after "and".
- (b) On page 1, first WHEREAS clause, line 6, insert "Mineralien", and", before "together".
- (c) On page 1, third WHEREAS clause, line 4, delete "the Companies" and insert "CIMF", after "of".
- (d) On page 3, at the end of Section 4(c), insert "The shares of Mineralien are owned of record and beneficially by Cyprus. Cyprus has good and valid title to the shares of Mineralien, free and clear of any Encumbrances."

2. This Amendment may be executed in one or more counterparts and each counterpart shall be deemed to be an original.

IN WITNESS WHEREOF, the parties have duly executed
this amendment to the Agreement on the day and year first
above written.

CYPRUS MINES CORPORATION

By: 

TALC DE LUZENAC S.A.

By: 