

**AMENDMENT NO. 8 TO
SETTLEMENT AND PURCHASE AND SALE AGREEMENT**

This Amendment No. 8 to Settlement and Purchase and Sale Agreement (this “**Amendment**”) is made effective as of September 10, 2009, and amends that certain Settlement and Purchase and Sale Agreement, dated March 6, 2009, as amended on April 15, 2009, April 22, 2009, June 12, 2009, August 6, 2009, August 10, 2009, August 20, 2009 and August 23, 2009, and as the parties rights and obligations thereunder were further amended and modified by that certain Letter Agreement, dated and effective as of August 31, 2009 (collectively, the “**PSA**”), by and among ASARCO LLC, a Delaware limited liability company; AR Silver Bell, Inc., a Delaware corporation; Copper Basin Railway, Inc., a Delaware corporation; ASARCO Santa Cruz, Inc., a Delaware corporation; Sterlite (USA), Inc., a Delaware corporation; and Sterlite Industries (India) LTD, an Indian limited liability company. Capitalized terms used herein, but not otherwise defined, shall have the respective meanings ascribed to such terms in the PSA.

WHEREAS, the parties desire to amend the PSA to (i) amend the definition of the Sterlite Purchased SCC Trust Interests (to reflect an increase in the percentage of Sterlite Purchased SCC Trust Interests to be sold and purchased pursuant to this Agreement to 100% of the aggregate interests reserved for Class 3 and Class 4 as determined by the Bankruptcy Court in accordance with the Plan), and (ii) amend other terms and conditions of the PSA as herein set forth;

NOW, THEREFORE, in consideration of the premises and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

1. Section 1.1 of the PSA is hereby amended by the addition of the following new defined terms, and such terms shall be deemed added to Section 1.1 in the appropriate alphabetical order:

“*Sterlite Class 4 SCC Trust Payment*” means an amount equal to \$215,400,000.00.

“*Confirmation Date*” means the date on which the District Court enters the Plan Confirmation Order.

2. The definition of the following terms set forth in Section 1.1 of the PSA are hereby amended and restated in their entirety to read as follows:

“*Sterlite Class 3 SCC Trust Payment*” means an amount equal to \$936,100,000.00 (or such higher or lower amount as is necessary (after the payment of the Class 4 Payment and the Sterlite Class 4 SCC Trust Payment) for all Allowed Claims in Class 1, Class 2, Class 3, Class 5, Class 6 or Class 7 to be Paid in Full on the Effective Date of the Plan, and to pay such other amounts that the Purchaser is obligated to pay under Article 10.1(d) of the Plan and Section 3.3(h) of this Agreement). Any and all

references in this Agreement to the term “Sterlite Purchased SCC Trust Interests Payment” shall be deemed to refer to the term “Sterlite Class 3 SCC Trust Payment” for all purposes.

“*Sterlite Purchased SCC Trust Interests*” means the Class A SCC Litigation Trust Interests, the Class B SCC Litigation Trust Interests and the Class C SCC Litigation Trust Interests.

3. Section 3.3(h) of the PSA is hereby amended and restated in its entirety to read as follows:

“(h) notwithstanding anything to the contrary in this Agreement (including Section 3.4), (i) any and all additional amounts as are necessary (after the payment of the Class 4 Payment and the Sterlite Class 4 SCC Trust Payment) for all Allowed Claims in Class 1, Class 2, Class 3, Class 5, Class 6 or Class 7 to be Paid in Full on the Effective Date of the Plan in accordance with Article 10.1(d) of the Plan, (ii) all Claims in Class 1, Class 2, Class 3, Class 5, Class 6 or Class 7 that become Allowed Claims (including Disputed Claims but only to the extent and in such amount as such Claim ultimately becomes an Allowed Claim), and (iii) any and all reasonable expenses incurred by the Plan Administrator or Reorganized ASARCO to effectuate the Plan, including any compensation owed the Plan Administrator or other costs, expenses, or amounts owed under the Plan Administration Agreement and otherwise incurred to wind down ASARCO’s operations and administer the Bankruptcy Cases (the “*Wind Down*”) as determined by the Plan Administrator in good faith and in consultation with Purchaser in accordance with the Plan Administration Agreement (collectively the “*Bankruptcy-Related Assumed Liabilities*”). Liabilities assumed pursuant to this Section 3.3(h) shall be paid by Purchaser in accordance with Section 3.7 of this Agreement, Article 10.1(d) of the Plan and the Plan Administration Agreement.

4. The first sentence of Section 3.7(a) of the PSA is hereby amended and restated in its entirety to read as follows:

“(a) At least ten Business Days prior to Closing (or such shorter period as Purchaser and ASARCO shall mutually agree upon), ASARCO shall deliver to Purchaser a statement of the amount of Cash (as defined in the Plan) required for all Allowed Claims in Class 1, Class 2, Class 3, Class 5, Class 6 or Class 7 to be Paid in Full on the Effective Date of the Plan in accordance with Article 10.1(d) of the Plan (the “*Statement of Amounts to Be Paid on Effective Date*”).”

5. The first sentence of Section 3.7(b) of the PSA is hereby amended and restated in its entirety to read as follows:

“(b) At Closing, ASARCO shall deliver to Purchaser a statement of all Class 1, Class 2, Class 3, Class 5, Class 6 or Class 7 Disputed Claims.”

6. Section 4.2(c) of the PSA is hereby amended and restated in its entirety to read as follows:

“(c) As promptly as practicable following (but not later than 5:00 p.m., Dallas, Texas time, on the third Business Day following) the Disclosure Statement Approval Date, Purchaser will post a third letter of credit (the “*Third L/C*”) in the form of Exhibit O-3 hereto issued in favor of ASARCO by a Qualified Bank in the amount of \$25,000,000.00 and ASARCO shall have received such originally executed Third L/C enforceable against the issuer thereof. As promptly as practicable following (but not later than 5:00 p.m., Dallas, Texas time, on the tenth Business Day following) the first to occur of the Plan Recommendation Date or the Confirmation Date, Purchaser will post (i) a fourth letter of credit (the “*Fourth L/C*”) in the form of Exhibit O-4 hereto issued in favor of ASARCO by a Qualified Bank in the amount of \$100,000,000.00 and ASARCO shall have received such originally executed Fourth L/C enforceable against the issuer thereof, and (ii) a fifth letter of credit (the “*Fifth L/C*”) in the form of Exhibit O-5 hereto issued in favor of ASARCO by a Qualified Bank in the amount of \$400,000,000.00 and ASARCO shall have received such originally executed Fifth L/C enforceable against the issuer thereof. The First L/C, the Second L/C, the Third L/C, the Fourth L/C and the Fifth L/C are collectively referred to herein as the “*Letters of Credit*.”

7. Section 4.2(e) of the PSA is hereby amended and restated in its entirety to read as follows:

“(e) Immediately following the termination of this Agreement due to a material breach by Purchaser or Guarantor of any of their respective representations, warranties or covenants or other agreements hereunder (a “*Purchaser Breach*”), Sellers shall (i) be entitled to receive from Purchaser and retain the Deposit and (ii) be entitled to draw upon all Letters of Credit at anytime thereafter to obtain the Deposit and the receipt by Sellers of immediately available funds in an account designated by ASARCO in an amount equal to the Deposit pursuant to such draws (or any draw pursuant to Section 4.2(h)) shall satisfy Purchaser’s payment obligation in clause (i); *provided*, that only \$125,000,000.00 shall be paid to, retained by and may be drawn by Sellers if such termination occurs prior to both the Plan Recommendation Date and the Confirmation Date, and *provided further*, that Sellers shall only be entitled to draw on the Fifth L/C following a “*Sterlite Manipulative Breach*.” As used in this Agreement, the term “*Sterlite Manipulative Breach*” means an intentional and willful material breach by either Purchaser or Guarantor of any of their respective representations, warranties or covenants or other agreements hereunder where (i) Sellers have terminated this Agreement under Section 13.1(k), (ii) all conditions to closing in Sections 11.1 and 11.2 that are within the reasonable control of Sellers have been satisfied in all material respects, (iii) Sellers have used all commercially reasonable efforts, at no expense to Sellers, to assist Purchaser and/or Guarantor, as applicable, to cure such breach, and (iv) Sellers are not in material breach of any of their representations, warranties or covenants in this Agreement such that Purchaser would have been permitted to terminate this Agreement under Section 13.1(j). Notwithstanding anything to the contrary in this Agreement, including Section 13.1(k) or Section 13.1(c), in order for Sellers to assert a Sterlite Manipulative Breach and draw under the Fifth L/C under this Section 4.2(e), Purchaser and Guarantor shall have been provided not less than 60 days to cure such breach. Sellers, Purchaser and

Guarantor acknowledge and agree that, if necessary to provide for such a 60-day cure period, Sellers, Purchaser and Guarantor shall cooperate with one another in good faith to execute an appropriate amendment to this Agreement extending the Termination Date as necessary to accommodate such 60-day cure period.”

8. The first sentence of Section 16.2 of the PSA is hereby amended and restated in its entirety to read as follows:

“16.2 *Consideration.* The total consideration to be paid by Purchaser to ASARCO in consideration of the conveyance, transfer, assignment and delivery of the Sterlite Purchased SCC Trust Interests shall be an amount equal to the Sterlite Class 3 SCC Trust Payment plus the Sterlite Class 4 SCC Trust Payment.”

9. Section 16.3(a) of the PSA is hereby amended to add subparagraph (iii) as follows:

“(iii) a receipt for each of the Sterlite Class 3 SCC Trust Payment and the Sterlite Class 4 SCC Trust Payment.”

10. Section 16.3(b)(i) of the PSA is hereby amended and restated in its entirety to read as follows:

“(i) the Sterlite Class 3 SCC Trust Payment and the Sterlite Class 4 SCC Trust Payment, by wire transfer of immediately available funds (to such account or accounts as ASARCO shall have specified to Purchaser at least 24 hours prior to the Supplemental Closing); and”

11. Except as set forth herein, all other terms of the PSA shall remain unchanged and in full force and effect.

12. This Amendment shall be subject to all of the terms and provisions set forth in the PSA that apply to the PSA (and such terms and provisions shall apply to this Amendment) or to any amendments or modifications thereto, including, without limitation, Article XV thereof.

* * * * *

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first written above.

SELLERS:

ASARCO LLC, a Delaware limited liability company

By: Joseph F. Lapinsky
Name: JOSEPH F. LAPINSKY
Title: PRESIDENT / CEO

AR SILVER BELL, INC., a Delaware corporation

By: D. E. McAllister
Name: Douglas E. McAllister
Title: President

COPPER BASIN RAILWAY, INC., a Delaware corporation

By: D. E. McAllister
Name: Douglas E. McAllister
Title: Vice President

ASARCO SANTA CRUZ, INC., a Delaware corporation

By: D. E. McAllister
Name: Douglas E. McAllister
Title: President

PURCHASER:

STERLITE (USA), INC.

By: *C. V. Krishnan*

Name: C. V. KRISHNAN

Title: PRESIDENT

GUARANTOR:

STERLITE INDUSTRIES (INDIA) LTD.

By: *C. V. Krishnan*

Name: C. V. KRISHNAN

Title: MANAGING DIRECTOR - POWER

August 31, 2009

Via Facsimile -- (520) 798-7781

ASARCO LLC
5285 East Williams Circle, Suite 2000
Tucson, Arizona 85711
Attention: Joseph F. Lapinsky

Ladies and Gentlemen:

This letter agreement is in reference to that certain Settlement and Purchase and Sale Agreement, dated March 6, 2009, as amended on April 15, 2009, April 22, 2009, June 12, 2009, August 6, 2009, August 10, 2009, August 20, 2009 and August 23, 2009 (collectively, the "PSA"), by and among ASARCO LLC, a Delaware limited liability company; AR Silver Bell, Inc., a Delaware corporation; Copper Basin Railway, Inc., a Delaware corporation; ASARCO Santa Cruz, Inc., a Delaware corporation; Sterlite (USA), Inc., a Delaware corporation; and Sterlite Industries (India) LTD, an Indian limited liability company. All capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed thereto in the PSA.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Purchaser and Guarantor each agree as follows:

1. Each of Purchaser and Guarantor irrevocably waives each Seller's compliance with Section 8.10 of the PSA with respect to (i) any and all communications, discussions or negotiations any Seller or any of its Representatives may have with Grupo or any of its Representatives in respect of Grupo's plan of reorganization recommended by the Bankruptcy Court to the District Court on August 31, 2009 (as it may be amended from time to time, "Grupo's Plan"), and (ii) any actions taken by any Seller or any of its Representatives to improve, modify or effectuate, or that are otherwise ancillary to, Grupo's Plan, including but not limited to, entering into any agreements with Grupo and making any filings with the Bankruptcy Court or the District Court. In addition, no such communication, discussion, negotiation or action shall be deemed under any circumstance to constitute a violation or breach of any provision of the PSA. Furthermore, each of Purchaser and Guarantor irrevocably waives any and all obligations of Sellers to continue to pursue entry of the Plan Confirmation Order and the closing of the transactions contemplated by the PSA (including, but not limited to, Sections 8.3, 8.7 and 8.14 thereof) until such time as the Sellers determine that resumption of such actions by the Sellers is appropriate; provided further, that any delay caused by the waiver of the aforementioned obligations shall not constitute a violation or breach of any provision of the PSA by any Seller, Purchaser or Guarantor.

2. Each of Purchaser and Guarantor waives its right to terminate the PSA pursuant to Section 13.1(n), unless and until such time as (i) ASARCO fails to file, on a timely basis, an objection to the Report and Recommendation for Entry of Findings of Fact and Conclusions of

Law on Plan Confirmation issued by the Bankruptcy Court on August 31, 2009 (the "Objection"), (ii) the Objection is withdrawn by ASARCO, (iii) the District Court enters a plan confirmation order confirming Grupo's Plan, or (iv) the District Court finds that the Debtors' Plan is not confirmable. However, Sellers' right to terminate the PSA under Section 13.1(n) shall continue in full force and effect, and no delay by Sellers in exercising their termination right under Section 13.1(n) shall constitute a waiver or relinquishment of such termination right.

3. Except to the extent modified herein, all obligations of the parties contained in the PSA shall remain unchanged and in full force and effect, including, but not limited to, Purchaser's obligation to extend the expiration dates of the Letters of Credit in accordance with Section 4.2(h).

Please acknowledge your agreement with the foregoing by signing below.

Sincerely,

PURCHASER:

STERLITE (USA), INC.

By: 

Name: C.V. KRISHNAN

Title: PRESIDENT

GUARANTOR:

STERLITE INDUSTRIES (INDIA) LTD.

By: 

Name: C.V. KRISHNAN

Title: MANAGING DIRECTOR (POWER)

cc: Baker Botts L.L.P.
2001 Ross Avenue, Suite 800
Dallas, TX 75201
Attn: Jack Kinzie
Facsimile: (214) 661-4427

Shearman & Sterling LLP
599 Lexington Avenue
New York, New York 10022
Attention: Douglas P. Bartner
Facsimile: (646) 848-8190

Acknowledged and agreed
effective as of August 31, 2009:

SELLERS:

ASARCO LLC, a Delaware limited liability company

By: Joseph F. Lapinsky
Name: JOSEPH F. LAPINSKY
Title: PRESIDENT & CEO

AR SILVER BELL, INC., a Delaware corporation

By: D. E. McAllister
Name: Douglas E. McAllister
Title: President

COPPER BASIN RAILWAY, INC., a Delaware corporation

By: D. E. McAllister
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By: D. E. McAllister
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