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NEWS DIGEST

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Vale Acquires Additional Interest In Belvedere Concession

=Vale's equity holding ratio rises to 75.5%=

Vale S.A. of Brazil has decided to acquire additional equity interest in Belvedere metallurgical coal project in Queensland from a subsidiary of AMCI of the United States. Vale already holds 51.0 percent interest in the project, which means equity holding ratio of Vale rises to 75.5 percent upon completion of the transfer of the above equity.

Belvedere Project is to develop undeveloped underground metallurgical coal concession (Belvedere concession) located 160 km west of Gladstone in Queensland and to export hard coking coal produced at the concession to Asian Region including Japan, Brazil and so on. The loading port will be Wiggins Island Coal Terminal newly built at Gladstone.

As of today, the equity holding ratios of Belvedere Project are 51 percent by Vale, and 24.5 percent each by Aquila Resources Ltd of Australia and AMCI.

At Belvedere Project, the pre-feasibility study (F/S) was completed in March this year and coal production in small scale is to be launched within 2016 if earlier after detailed F/S.

Furthermore, in 2017 longwall operation is started and metallurgical coal production capacity rises to 3,500,000 MT per year. After that in 2020 the second longwall system will be introduced to expand metallurgical coal production capacity to 7 million MT per year.