



VALE Mineral Exploration
Program:

Focus in Brazil



SIMEXMIN
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Global Exploration



Disclaimer



“This presentation may contain statements that express management’s expectations about future events or results rather than historical facts. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected in forward-looking statements, and Vale cannot give assurance that such statements will prove correct. These risks and uncertainties include factors: relating to the Brazilian and Canadian economies and securities markets, which exhibit volatility and can be adversely affected by developments in other countries; relating to the iron ore and nickel businesses and their dependence on the global steel industry, which is cyclical in nature; and relating to the highly competitive industries in which Vale operates. For additional information on factors that could cause Vale’s actual results to differ from expectations reflected in forward-looking statements, please see Vale’s reports filed with the Brazilian Comissão de Valores Mobiliários and the U.S. Securities and Exchange Commission.”





Vale's overview

Mineral Exploration

Exploration and Developments in Brazil



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Vale: who we are



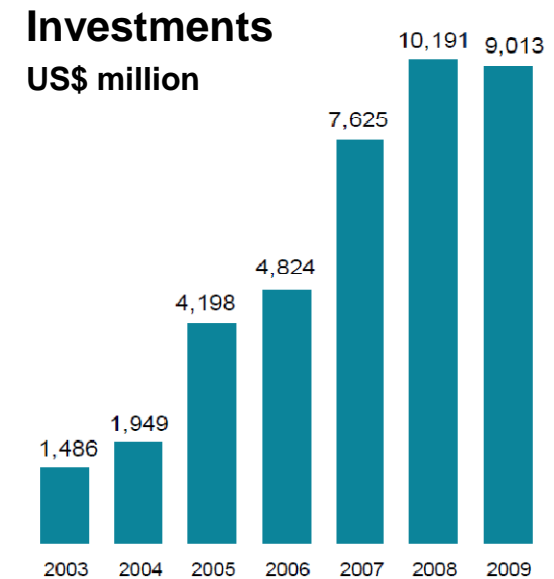
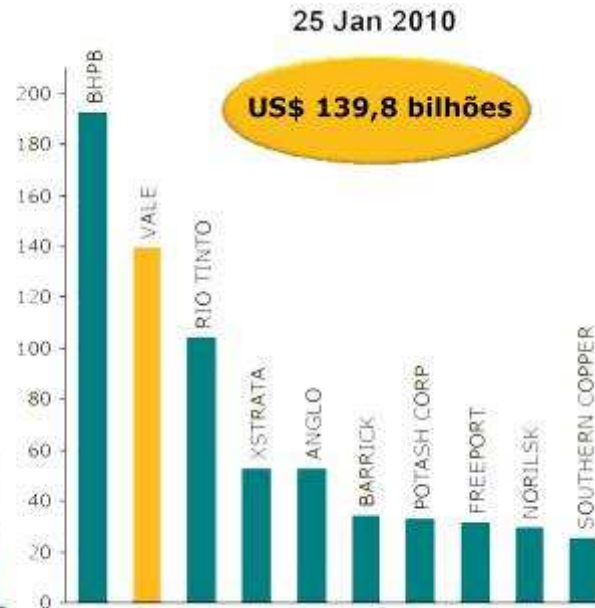
- Vale is a pioneering mining company that works with passion, transforming mineral resources into essential ingredients for people's daily lives.
- Second largest diversified mining company in the world, one of the 30 largest public traded companies in the world and the largest private company in Latin America.
- Market capitalization of approximately US\$ 140 billion, with over 500,000 investors on all continents.
- Leader in the global iron ore market, in terms of production and reserves, besides being the second largest producer and owner of the largest reserves of nickel.
- Vale also produces manganese, ferroalloys, metallurgical and thermal coal, bauxite, alumina, aluminum, copper, cobalt, potassium and platinum group metals.
- 116 mineral exploration projects across the globe supporting the long-term growth.



Over the past ten years the VALE has become the second largest mining company in the world



- Largest mining company in America.
- First Brazilian company to achieve the rating of investment grade.
- First Brazilian company to trade its shares on Euronext (Paris).
- Investments in 2010 of 12.9 billion dollars (8.1 billion only in Brazil).



*excluding acquisitions

Where we are



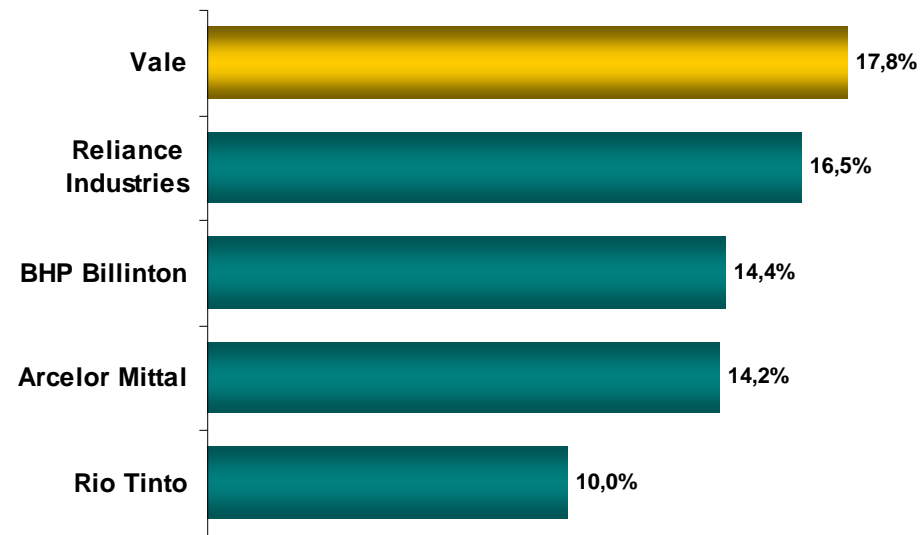
- Present on five continents through its operations, commercial offices and mineral exploration.
- Vale employs directly approximately 60.000 people worldwide (more than 45.000 direct jobs and 71.000 indirect jobs in Brazil).



VALE consolidates its international process and maintains the position as the largest creator of shareholder value



- A global leader among the largest producers of raw materials, 1999 – 2008 (RSTR¹).



- ¹ Average total return to shareholders relative to the stock average in the local market, 1999-2008.
- Source: “Searching for Sustainability”, The Boston Consulting Group, October 2009, “large-cap” companies.

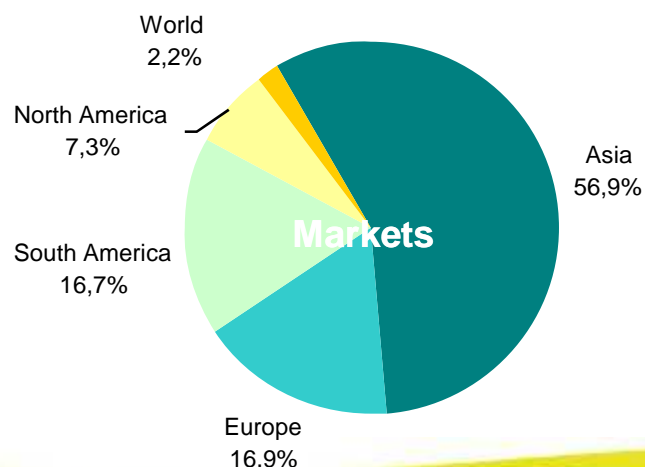
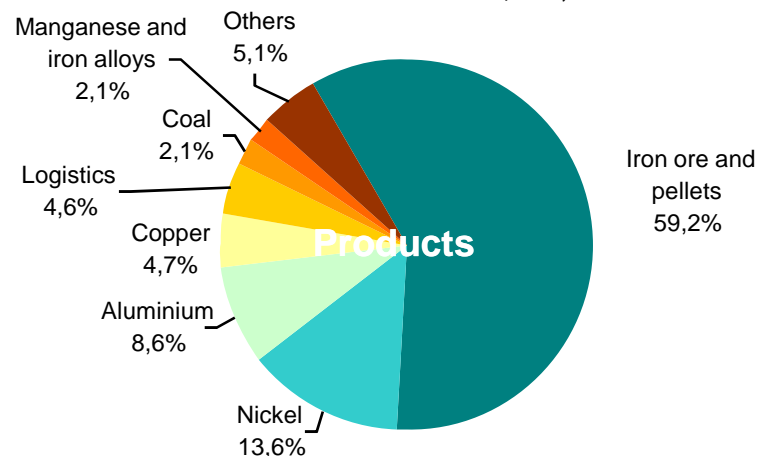


The Company consolidates the diversification in mining, supported by the logistics and energy



Operational Revenue 2009

US\$ 23,9 Bilhões



• Mining

- Ferrous - Iron ore, pellets, manganese and alloys.

- World's largest producer and exporter of iron ore and pellets, accounting for approximately 24,9% of the seaborne market.

- Aluminum - Bauxite, Alumina and Aluminum.

- Nonferrous - Nickel, Copper, Potassium.

- Coal.

• Logistics

- Railways, port terminals, coastal shipping and logistics solutions.

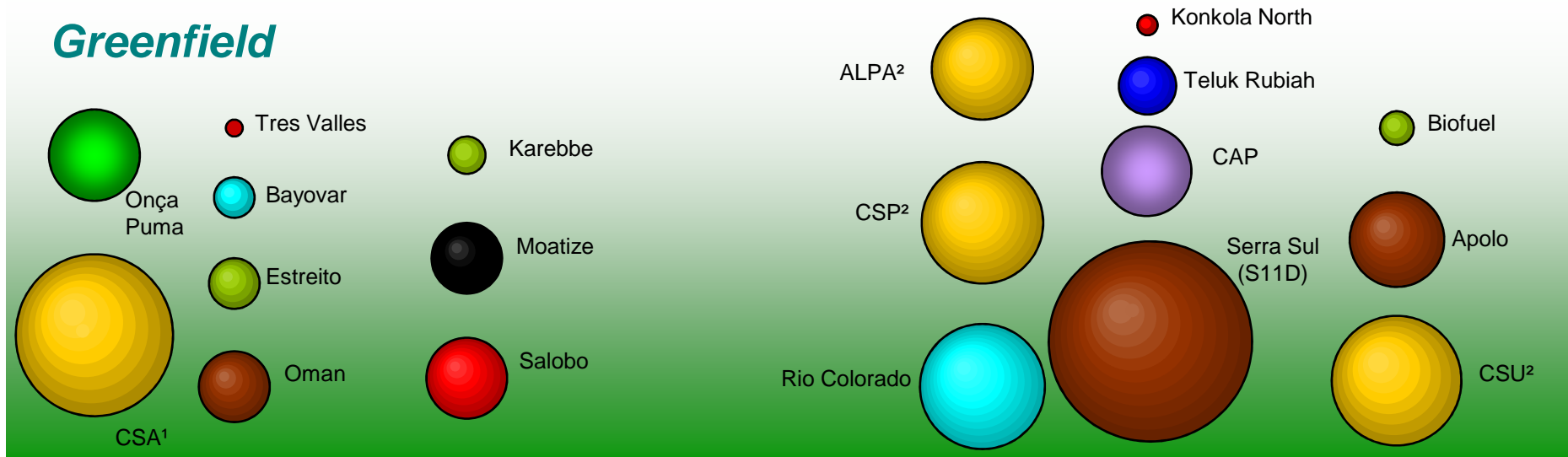
• Energy for self-supply

- Eight hydroelectric dams, seven of which are already in operation.

Organic growth: project pipeline for the next years



Greenfield



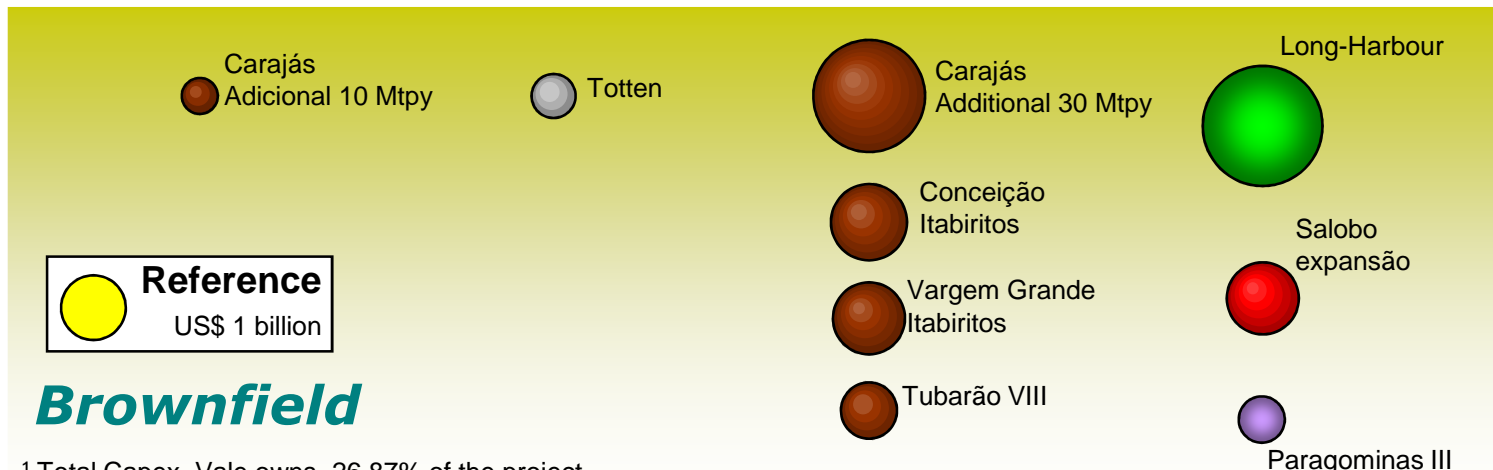
2010

2011

2012

2013

2014



Reference
US\$ 1 billion

Brownfield

- Iron ore and pelletization
- Nickel
- Coal
- Copper
- Bauxite and alumina
- Fertilizers
- Logistic
- Energy
- Steel

¹ Total Capex. Vale owns 26,87% of the project.

² Total Capex. Vale's investment will depend on it's final percentual participation in the project.

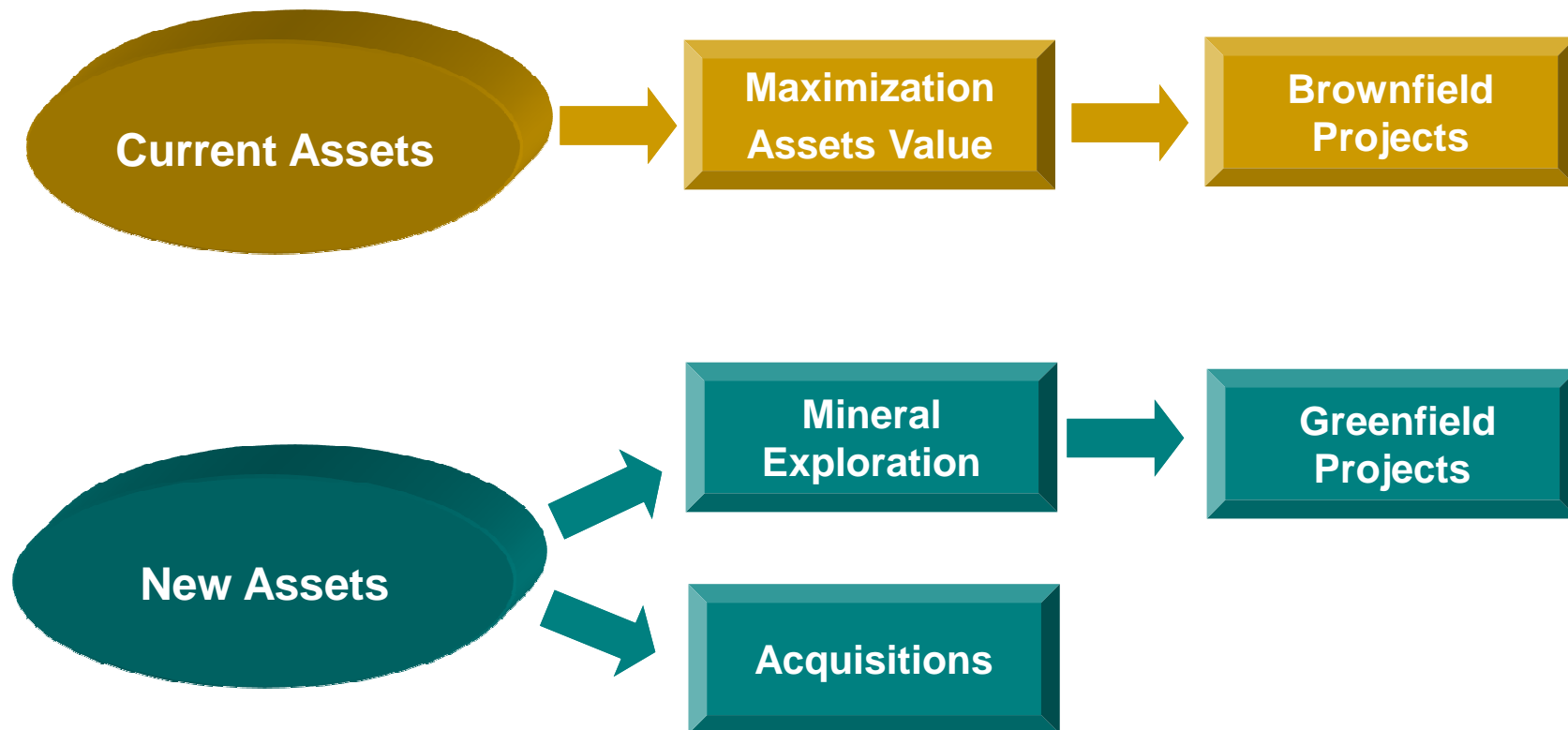


Vale's overview

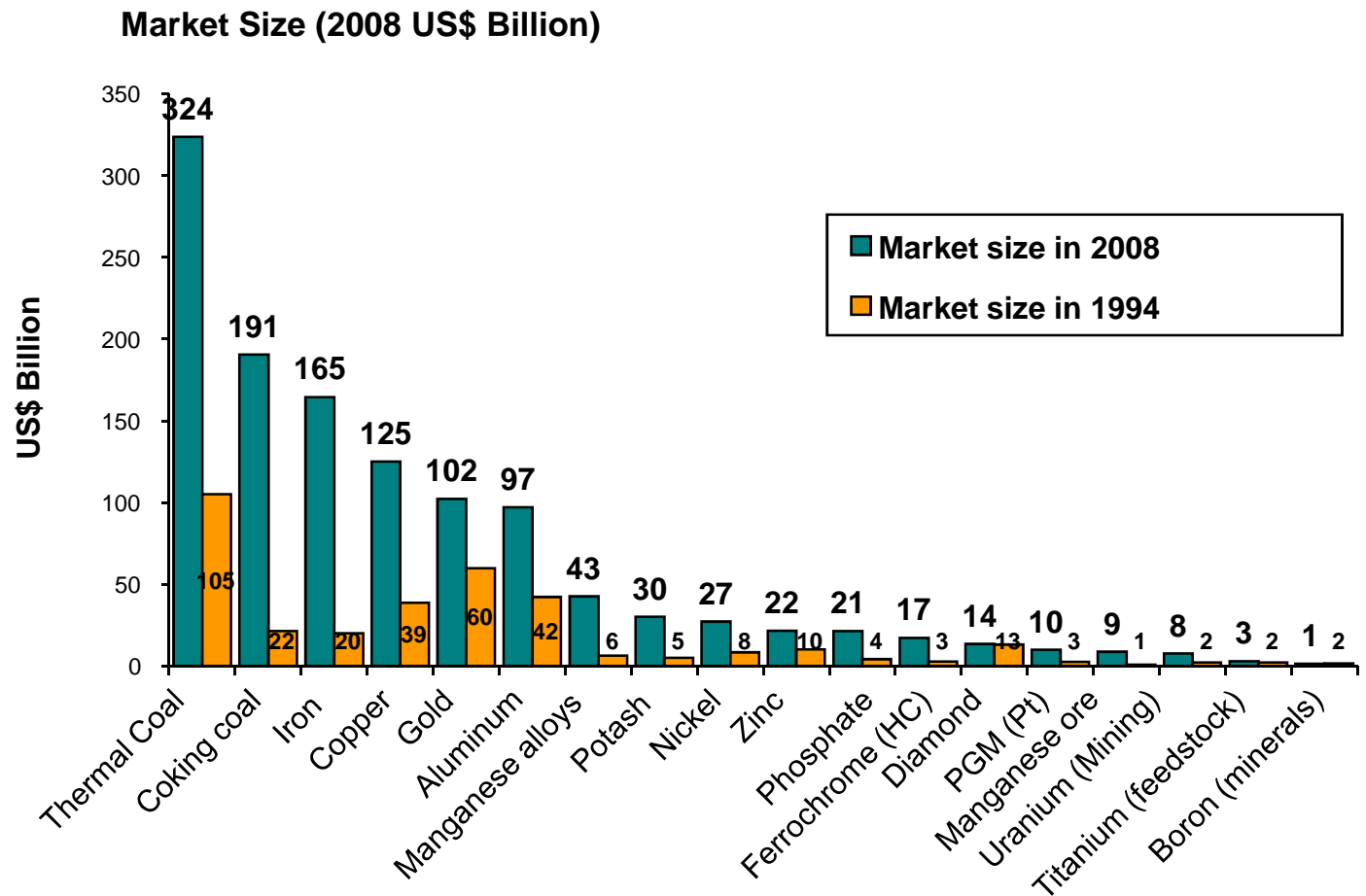
Mineral Exploration

Exploration and Developments in Brazil

We have a sustainable growth strategy that includes Mineral Exploration as one of the pillars for organic growth



Focus on world class deposits of mineral commodities selected by the high potential to add value



Market size: Coal: 2000 and 2008; Manganese alloys: 2002 and 2008; FeCr: 1998 and 2008.



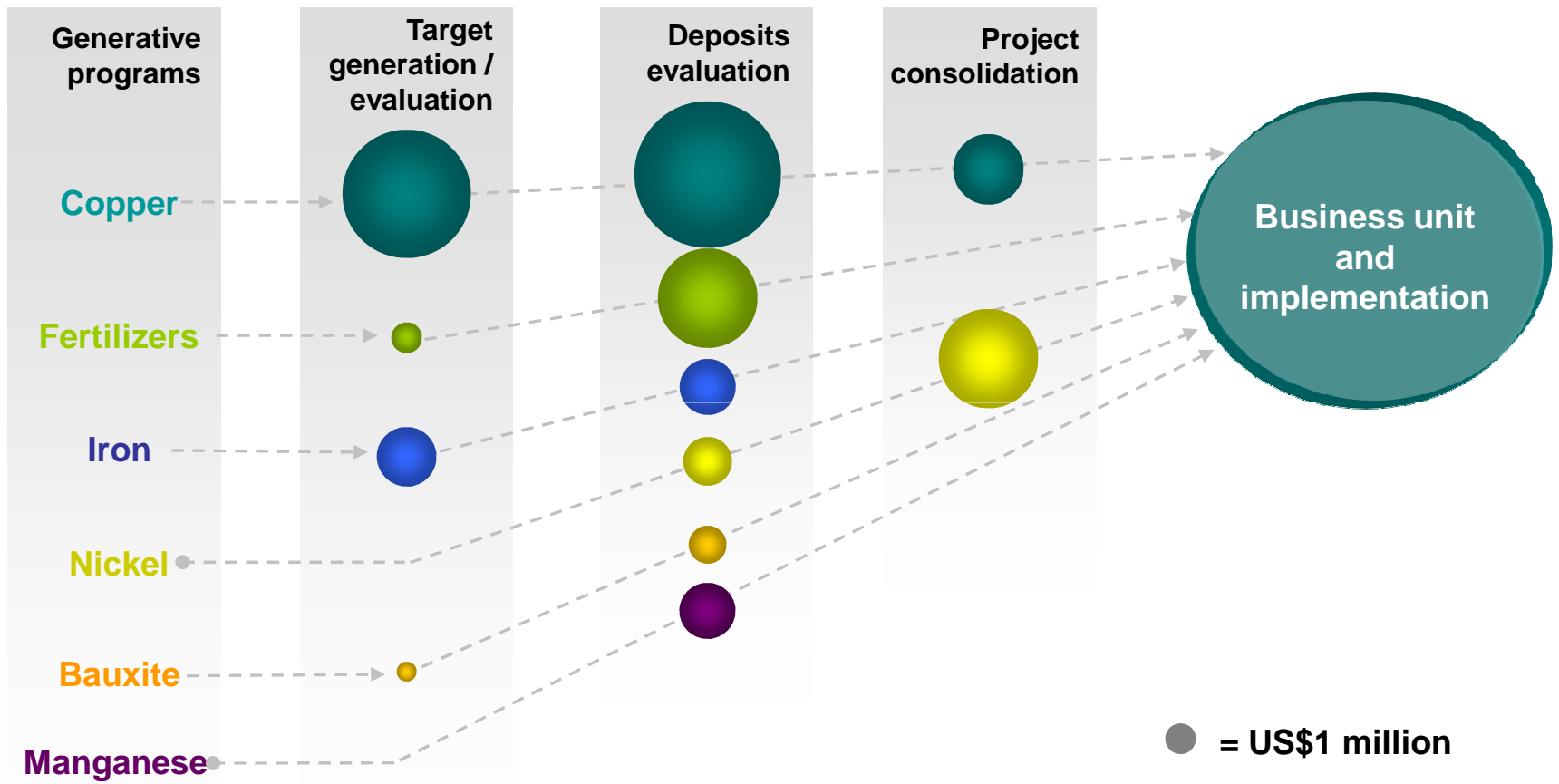
VALE's successful mineral exploration has as pillars:



- Global presence.
- Continuous innovation, seeking new concepts and new technologies.
- Strategic alliances with suppliers, universities, research institutions.
- Flexible models of partnerships with junior companies seeking complementary skills.
- Continuous effort and investment.
- Maintain high credibility with society, environment, government agencies and investors.



Projects in Brazil remains solid within Vale's portfolio



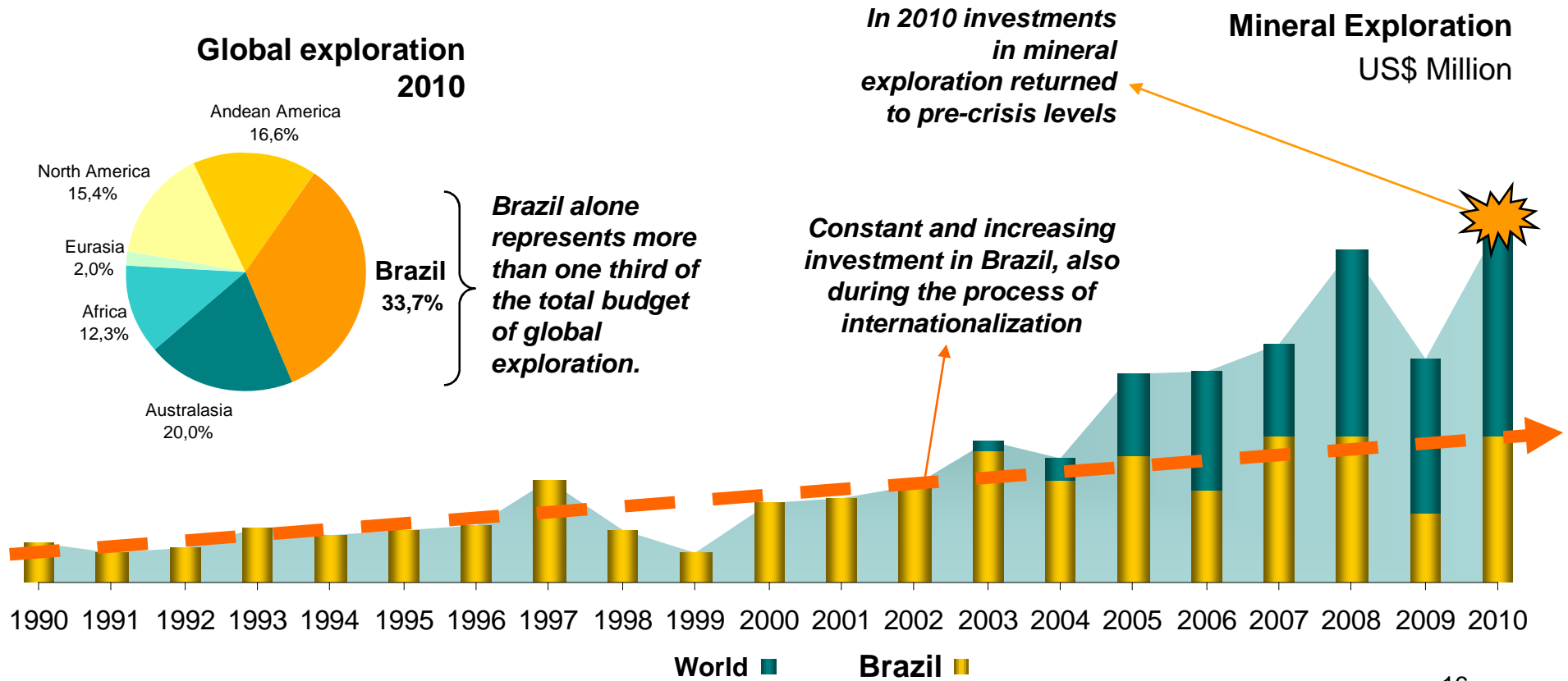
- Expanding portfolio, with great potential for development of advanced projects in the coming years.



Evolution of Investment in Mineral Exploration



- Long-term investments, typical activities and R & D.
- Despite the market downturn in 2009 there was a substantial increase in investment in exploration in recent years, following the international expansion and consolidation of multi commodities portfolio



* US\$ corrected by USA inflation. 2010 = budget.

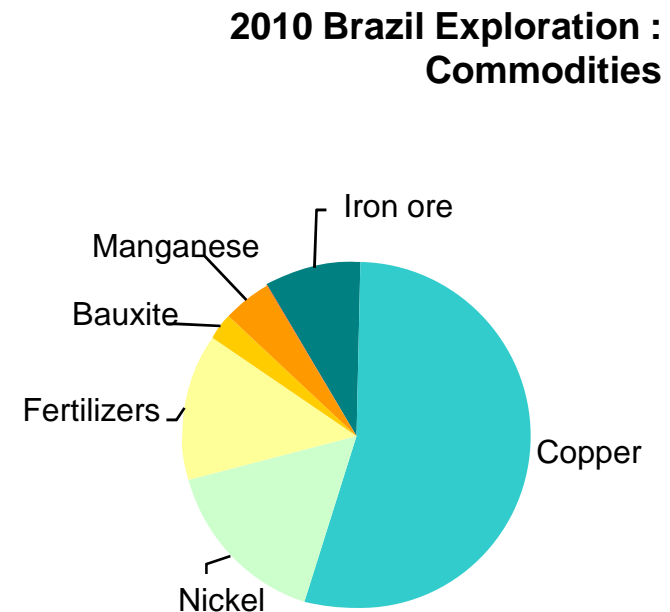
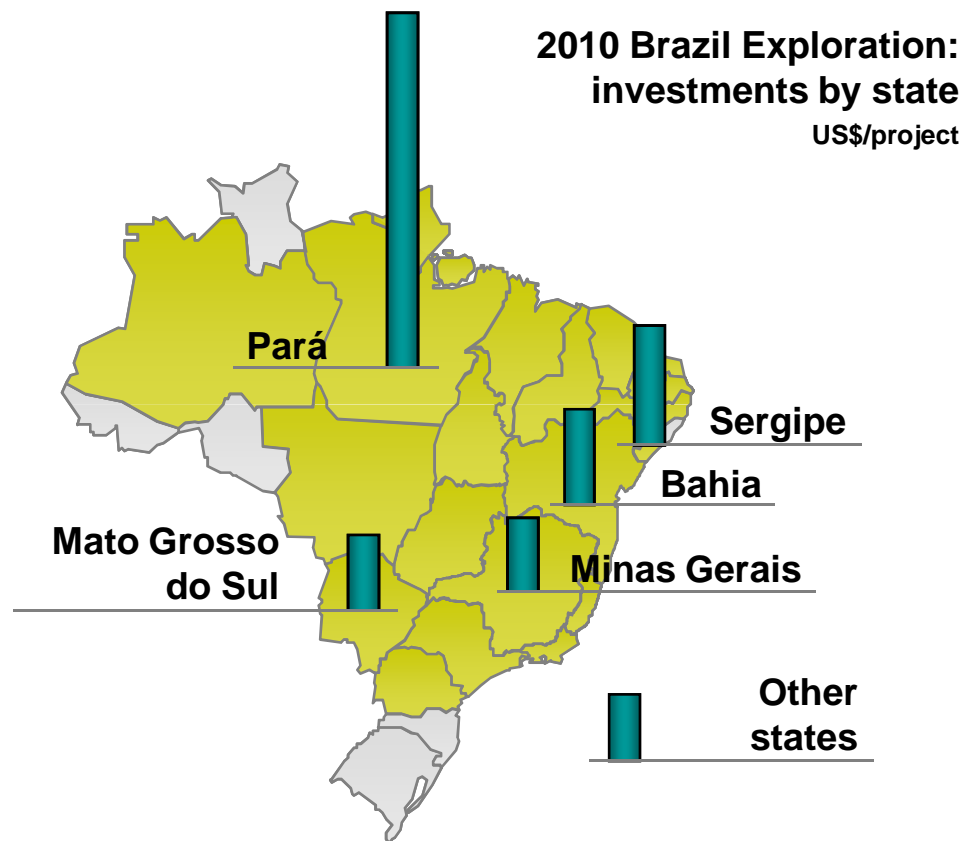


Vale's overview

Mineral Exploration

Exploration and Developments in Brazil

Vale invests in large part of Brazil



- Multi-commodity program, in most of the national territory (20 estates)
- Generative & grassroots programs of all mineral assets.



Vale Brazil Exploration

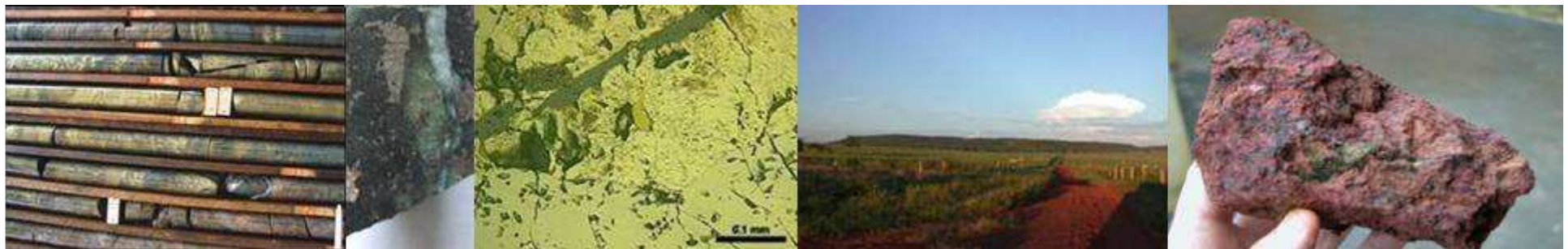


- **Strengths**

- High geological fertility for innumerable minerals (greenfield exploration opportunities)
- Brownfield exploration opportunities and exploitation of synergies

- **Challenges**

- Conformity with environmental legislation with the mineral legislation



Copper implementation projects **Salobo I e II**



- Construction began in August 2007
- Phase I - 100 kty of copper in concentrate (with 38% Cu and 15g / t Au).
- Total investment (phase I and II): U.S. \$ 2.8 billion.
- First long-term contract to sell the concentrate already signed with a major European Smelter
- Phase II for 100 kty additional copper in concentrate



Nickel implementation projects **Onça Puma**



- Located in the State of Para, in the province of Carajás
- Nominal production capacity estimated at 58,000 tons per year of nickel iron
- Investments estimated at \$ 2.3 billion
- Start-up scheduled for the second half of 2010



Carajás still bringing nice surprises



- After 40 years of mineral exploration in the region, new discoveries of copper and nickel still coming from exploration to the depth of 200-400m
 - Newly discovered Ni sulfide intercepts with significant grades in Carajás region;
 - Newly discovered Cu sulfide intercepts due to innovative exploration concepts for the region;
- High potential for reevaluation of past copper discoveries under the current economic scenario
 - High grades when compared to other options;
 - Operating and infrastructure synergies to explore;
- New efforts in mineral exploration, targeting depths of more than 300m.
 - Geophysics technology for underground exploration: new efforts and exploratory concepts resulting from integration Vale-Inco.



Iron implementation projects **Serra Sul**



- **Serra Sul is the largest project in the history of the Vale and of the Iron Ore Industry of the world.**
- Capacity: 90 Mtpy.
- Total investment estimated \$ 11.3 billion
 - Mine and mill US\$ 3.5 billion
 - Logistics US\$ 7.8 billion
- Construction of the new pier in Ponta da Madeira, São Luis: the biggest port project in Latin America, at a cost of \$ 2.2 billion.



Exploração Brasil Ferro



- *Regional initiatives to feed the pipeline in the long term.*
- The acquisition of Simandou (Guinea) does not exclude the deployment planned for iron ore projects in Brazil.

Mineral Exploration in Brazil is still very important for maintaining VALE as a leader in the global iron ore in the long run.



Acquisition of Bunge Brasil e Fosfertil fertilizer assets



- **Combined assets**

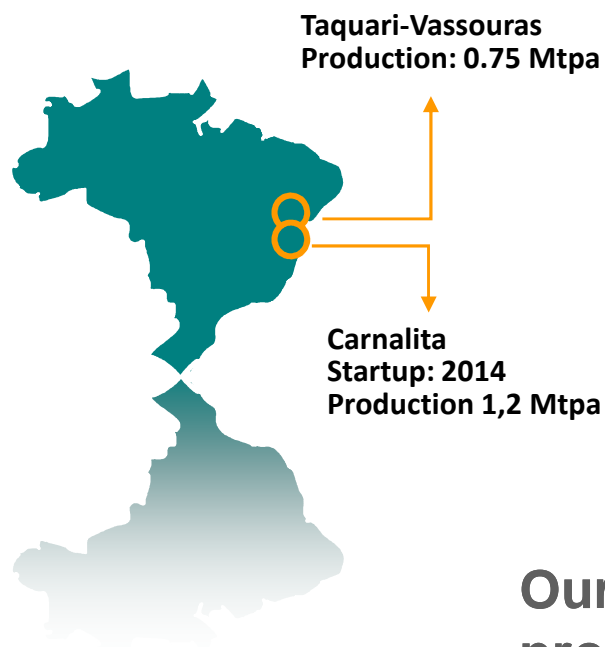
- Proven and probable reserves of 1.5 billion tons.
- Production capacity will reach 5 Mty of phosphate rock.
- Share of 36% of the Brazilian market of phosphate.
- Salitre, a Greenfield project, has a nominal production capacity estimated at 2 Mty of phosphate rock



Brasil Exploration Fertilizers



- Rapid per capita growth of the emerging economies is increasing the consumption of fertilizers
- Brazil is an agricultural power with great growth prospects of the activity.



- Taquari-Vassouras is the only potash mine currently in operation in Brazil. Carnalita project will increase VALE's potash production in 1.2 Mty for sale in the Brazilian market, leaving the country less vulnerable to exports.
- Exploration initiatives phosphate and potassium in the north and central regions of Brazil.

Our goal is to be a global major fertilizer producer by 2017

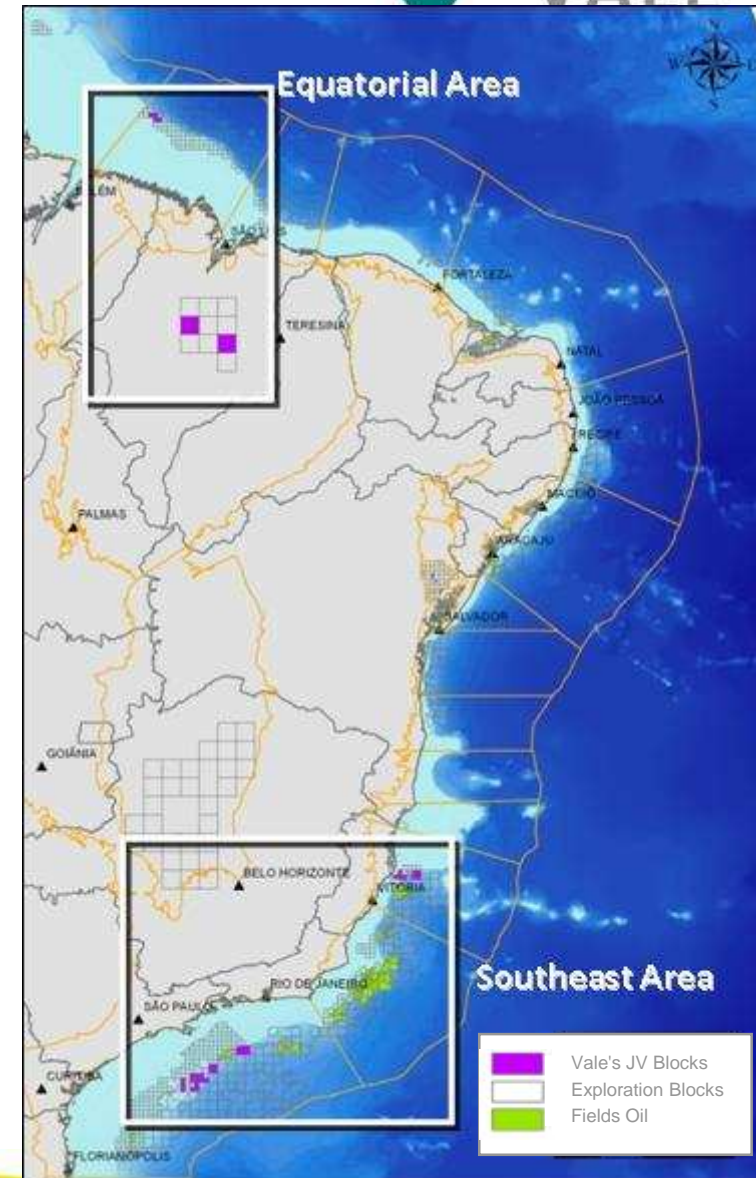


New frontiers in exploration: Natural gas

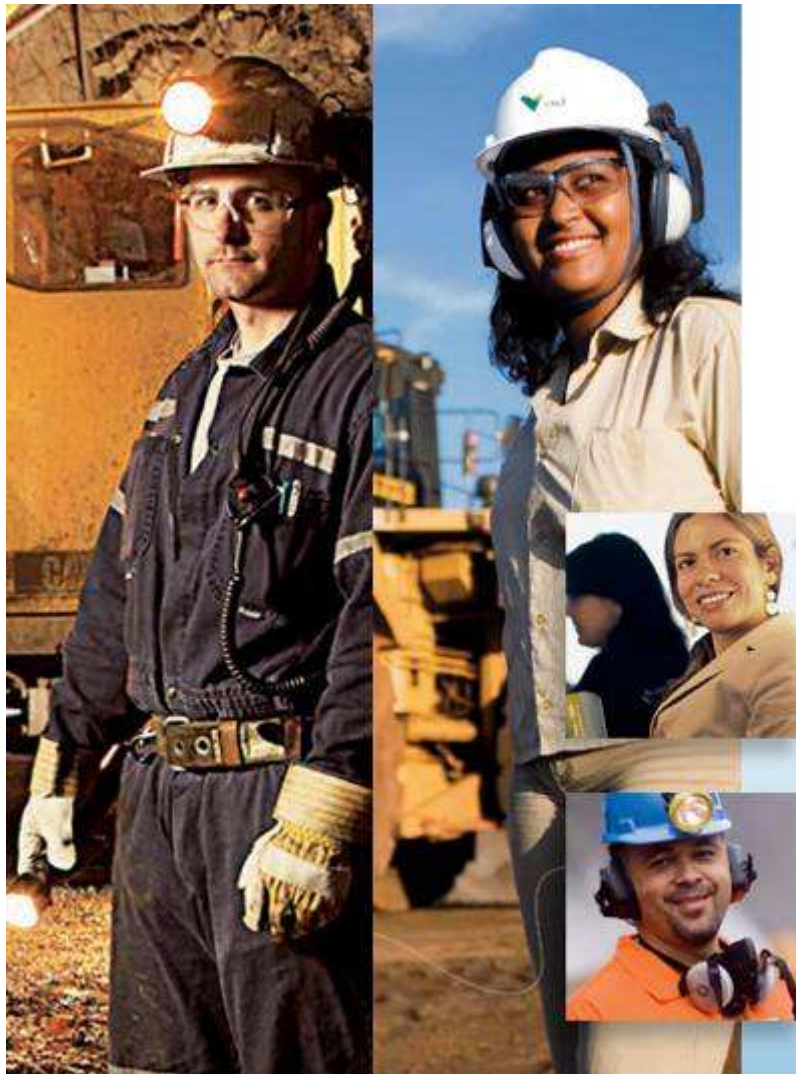
➤ In the end of 2007, Vale snapped up licenses to explore gas exploration blocks in different regions of Brazil (Santos, Pará-Maranhão and Parnaíba basins) in a public auction held by the National Petroleum, Gas and Bio-Fuels Agency (ANP).

➤ *As a major energy consumer, Vale is seeking to diversify and optimize its energy grid through increased use of thermal coal, renewable fuels and natural gas.*

| | Basin | Blocks | Km ² | Round | Partners |
|-----------------|-----------------|--------|-----------------|---------|--|
| Equatorial Area | Pará - Maranhão | 4 | 768 | 9 | Petrobras, Ecopetrol |
| | Parnaíba | 2 | 6.126 | 9 | Petrobras, Devon |
| Southeast Area | Espírito Santo | 5 | 1.430 | 6, 7 | Petrobras, Shell, Repsol |
| | Santos | 15 | 3.958 | 1, 7, 9 | Petrobras, BG, Repsol, Maersk, Eni, Woodside |
| | | 26 | 12.282 | | |



One of VALE's major concern is people's education.
VALER Institute: education for sustainable
development.



- Educational challenges
 - Dimension of the enterprise and global presence
 - Cultural diversity
 - Excellence in management
 - Continued development in human capital
- Constant development programs for employees and partners
 - Basic education and technical qualification and specialization.
 - Specific development programs in management and technical specialization
- Partnership with institutions focused on science, technology and innovation.



Vale: a global leader

Growing and creating value

