



## Vale concludes sale of minority stakes of Bayóvar

Rio de Janeiro, July 7, 2010 – Vale S.A. (Vale) announces that it has concluded the sale of minority stakes in the Bayóvar project in Peru, through the newly-formed company MVM Resources International B.V. (MVM) that controls and operates the project, to The Mosaic Company (Mosaic), a company listed on the New York Stock Exchange, and Mitsui & Co., Ltd. (Mitsui), a company listed on the Tokyo Stock Exchange.

Vale sold 35% of the total capital of MVM to Mosaic for US\$ 385 million and 25% to Mitsui for US\$ 275 million. Vale retains control of the Bayóvar project, holding a 51% stake of the voting shares and a 40% stake of the total capital of the newly-formed company.

Bayóvar is a phosphate rock project located in Sechura, department of Piura, Peru, which consists of an open-pit mine - with an expected production capacity of 3.9 million metric tons per year - and a maritime terminal. Start-up is expected to take place in the next few weeks.

The alliance of Vale, Mosaic and Mitsui in this new venture creates significant shareholder value by providing Bayóvar with access to technical expertise, guaranteed product off-take and enhanced product distribution capabilities. This transaction is in line with our strategy to become a leading global player in the fertilizer business, with the development of a large world-class value creation platform through a combination of acquisitions, joint-ventures and organic growth.

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This press release may include declarations about Vale's expectations regarding future events or results. All declarations based upon future expectations, rather than historical facts, are subject to various risks and uncertainties. Vale cannot guarantee that such declarations will prove to be correct. These risks and uncertainties include factors related to the following: (a) the countries where Vale operates, mainly Brazil and Canada; (b) the global economy; (c) capital markets; (d) the mining and metals businesses and their dependence upon global industrial production, which is cyclical by nature; and (e) the high degree of global competition in the markets in which Vale operates. To obtain further information on factors that may give rise to results different from those forecast by Vale, please consult the reports filed with the Brazilian Comissão de Valores Mobiliários (CVM), the French Autorité des Marchés Financiers (AMF), and with the U.S. Securities and Exchange Commission (SEC), including Vale's most recent Annual Report on Form 20F and its reports on Form 6K.