

Vargem Grande Dam has emergency level reduced from 2 to 1

Rio de Janeiro, June 5th, 2019 – Vale S.A. (“Vale”) informs that the Vargem Grande dam, located in the Abóboras mine in Nova Lima, Minas Gerais, Brazil, had its Emergency Action Plan for Mining Dams (PAEBM) level reduced from 2 to 1. The adjustment was registered by Vale on the SIGBM system of the National Mining Agency (ANM) on Tuesday, June 4.

This change in the dam’s status is the result of a series of improvements that Vale has been implementing in the structure since January this year, such as: lowering the water level of the reservoir; cleaning the drainage channels; sensitivity studies with an audit firm to evaluate the impact of the water level lowering on the dam’s stability. A detailed technical evaluation of the irregularities presented by the inclinometer monitoring system (instruments installed in drilled holes to measure irregularities) was also undertaken. It is expected that with the completion of the remaining actions, the structure will be totally removed from the emergency condition.

On February 20, 2019, due to the lack of parameters to evaluate irregularities indicated in the inclinometer monitoring system, Vale decided, for safety reasons, to declare the structure as level 2 and evacuate the Self-Rescue Zone (ZAS).

In total, 51 people were relocated from the Solar da Lagoa condominium and Villas "A" and "E", from Anglo Gold Ashanti. Vale has informed the Civil Defense about the change in alert level and a meeting with the residents of the ZAS will be scheduled to assess the return to their homes.

In addition, the BR-356 road, between kilometers 37 and 40 (which could be reached in the event of a breach), which has been under constant surveillance, will no longer have to rely on this type of monitoring.

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