



Vale signs MOU to explore natural gas

Rio de Janeiro, June 25, 2009 – Vale S.A. (Vale) informs that it has signed a memorandum of understanding (MOU) with Petróleo Brasileiro S.A. (Petrobras) to give Vale the exclusive right of acquisition of 25% of partnership in three blocks located at the area BM-ES-22, in the Brazilian state of Espírito Santo.

The assignment of rights will be submitted to the approval of the Brazilian oil and gas regulator agency, Agência Nacional do Petróleo, Gás Natural e Biocombustíveis (ANP).

The exploration of natural gas is part of Vale's strategy of diversification and optimization of its energy matrix.

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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.