



Vale completes mandatory conversion of convertible notes

Rio de Janeiro, June 15, 2010 – Vale S.A. (Vale) announces that the mandatorily convertible notes due June 15, 2010 of its wholly-owned subsidiary Vale Capital Limited ("Vale Capital"), series RIO and RIO P, were converted today into common and preferred American Depositary Shares (ADSs), respectively.

The conversion rate, which is the number of ADSs deliverable upon conversion of each note on the applicable date, was 1.9026 common ADSs per Series RIO and 2.2351 preferred ADSs per Series RIO P.

The American Depositary Shares, into which the Series RIO Notes were converted, represented an aggregate of 49,305,205 common shares, equivalent to 1.5% of outstanding common shares, and the Series RIO P Notes represented an aggregate of 26,130,033 preferred class A shares, equivalent to 1.3% of outstanding preferred class A shares.

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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.