Press Release

Vale announces share buy-back program

Rio de Janeiro, June30, 2011 – Vale SA (Vale) announces that its Board of Directors has approved today a proposal from the Executive Board to establish a share buy-back program for common and preferred class A shares and their respective American Depositary Receipts. The buyback is limited to a maximum of US$ 3.0 billion. The shares repurchased by Vale will be cancelled after the expiration of the program.

The program includes the buyback of up to 84,814,902 common shares and 102,231,122 preferred shares, representing up to 5.9% of the total number of shares outstanding (free float), based on the shareholding position of May 31, 2011. The program will be executed during a period involving up to 180 days, extended from May 31, 2011 to November 25, 2011.

The strong cash flow and the positive outlook for our operational and financial performance give support to the financing of a large volume of investments, focused on the exploitation of multiple organic growth opportunities and anchored in rigorous discipline in capital allocation, allowing Vale to maintain simultaneously a healthy balance sheet, with a low-risk debt portfolio. The share repurchase is an important tool for returning capital to shareholders, helping to improve the capital allocation and hence maximizing shareholders' value.

The buy-back program complies with Brazilian capital markets regulation and it will be executed on stock exchanges at market prices through the following financial institutions:

a) Bradesco S.A. CTVM – 72 (Matriz), Avenida Paulista, 1450 - 7° andar, São Paulo/SP, CEP: 01310-100,
b) Itaú CV S.A. – 114 (Matriz), Avenida Brigadeiro Faria Lima, 3400 - 10° andar, São Paulo/SP, 04538-132
c) Ágora CTVM S.A. – 39 (Matriz), Praia de Botafogo, 300 - 6° andar, Rio de Janeiro/RJ, CEP: 22250-040
d) Fator S.A. CV – 131 (Matriz), Rua Doutor Renato Paes de Barros, 1017 - 11° e 12° andares, São Paulo/SP, CEP: 04530-001
e) Credit Suisse Brasil S.A. CTVM – 45 (Matriz), Avenida Brigadeiro Faria Lima 3064, 13º andar, São Paulo/SP, CEP: 01451-000
f) Santander CCVM S.A. – 27 (Matriz), Avenida Presidente Juscelino Kubitschek, 2041, 2235 - 24º andar, São Paulo/SP, CEP: 04543-011
g) J. P. Morgan CCVM S.A. – 16 (Matriz), Avenida Brigadeiro Faria Lima 3729, 13º andar, São Paulo/SP, CEP: 04538-905

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Hong Kong Limited, and in particular the factors discussed under “Forward-Looking Statements” and “Risk Factors” in Vale’s annual report on Form 20-F.