



Vale divests the kaolin business

Rio de Janeiro, May 7, 2012 – Vale S.A. (Vale) informs that it has sold its 61.5% stake on CADAM S.A. (CADAM) to KaMin LLC (KaMin), a privately-owned US company, for US\$ 30.1 million.

CADAM is a kaolin producer that operates an open-pit mine in the state of Amapá, Brazil, a beneficiation plant and a private port, both in the state of Pará, Brazil. The mine and the plant are linked via a 5.8-kilometer pipeline. Vale will receive US\$ 30.1 million for CADAM's controlling stake, to be paid over a five-year period.

The sale of CADAM is part of our continuous efforts to optimize the asset portfolio. Together with the sale of Pará Pigmentos S.A. (PPSA) in 2010, it consolidates Vale's divestiture of the kaolin business.

Vale's growth and sustainable value creation strategy encompasses a multilane road, and active portfolio asset management is a very important option to optimize capital allocation and focus management attention.

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