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PRESS RELEASE

NEW CALEDONIA: AGREEMENT BETWEEN GROUPS ERAMET AND VALE AND SOUTH PROVINCE FOR THE STUDY OF MINING AND BENEFICIATION OF THE NICKEL DEPOSITS AT PRONY AND PERNOD.

ERAMET, Vale Canada and New Caledonia's South Province signed a framework agreement on April 5, 2014 in Nouméa providing for the exploration, study and beneficiation of the nickel deposits at Prony and Pernod in the south of New Caledonia.

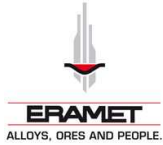
This agreement is governed by the Mining Code, passed by the New Caledonian congress in 2009. Under this code, the deposits were classified as "Provincial Technical Reserves"* by South Province on February 12, 2012.

It follows on from the signature by the three entities of a declaration of intent on November 5, 2012 setting out the guidelines of a partnership for the development in New Caledonia of the mineral deposits at Prony and Pernod.

This agreement provides for the creation of a joint venture for the project, owned 34% by South Province, and 33% each by ERAMET and Vale Canada. The joint venture will first undertake the geological exploration works and technical studies required for improving knowledge on the deposits and the operation of the mine. If the results are satisfactory, the mining companies may submit one or more industrial processing plans to the Province, giving priority to creating synergies with VALE's and ERAMET's affiliates in the region (Vale Nouvelle-Calédonie and SLN, respectively) and their existing industrial plants.

Unprecedented in the country, this strategic alliance is aligned with the guidelines of the plans for the development of its mining assets by New Caledonia. Under the terms of the deal, ERAMET and VALE, both experts in the nickel industry, would be able to develop a hydro-metallurgy project, working in close collaboration with the competent authorities, to optimize beneficiation of the Prony and Pernod nickel deposits, while maximizing the economic, social and environmental synergies generated by the deposits.

** "Provincial Technical Reserves" are legally designated in the Mining Code enacted in New Caledonia in 2009. The Provinces have the authority to grant mining rights in the country, and this legal classification allows them to impose specific conditions in approvals for the industrial development of significant deposits in New Caledonia, covering the economic, social and environmental impacts, as well as the financial return to the Province.*



This project would also contribute to the long term continuation of the significant and sustainable benefits, for New Caledonia, from the local industrial activities of Vale Nouvelle-Calédonie and ERAMET group affiliate, Société Le Nickel (SLN), while providing valuable information on the mineral resources in the south of New Caledonia.

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ABOUT ERAMET

ERAMET is a leading global producer of:

- alloying metals, particularly manganese and nickel, used to improve the properties of steel,
- high-performance special steels and alloys used in industries such as aerospace, power generation and tooling.

ERAMET has major research and development projects in new business lines with high growth potential, such as mineral sands (titanium dioxide and zircon), niobium and rare earths, and in recycling. The Group employs approximately 14,000 people in 20 countries. ERAMET is part of Euronext Paris Compartment A.

CONTACT

Head of Financial Communications and Economic Studies

Philippe Joly

Tel: +33 (0)1 45 38 42 02

Investor Relations and Economic Analyst

David Fortin

Tel: +33 (0)1 45 38 42 86

For more information: www.eramet.com
