



Type what you want to search

Search

09/18/2009



Vale concludes acquisition of Corumbá assets

Vale announces that concluded the all-cash acquisition of the Corumbá iron ore mining operations, located in state of Mato Grosso do Sul, Brazil, from Rio Tinto Plc (Rio Tinto) and some of its controlled entities for US\$ 750 million.

Corumbá is a world-class asset, with high Fe content and a strategic importance to our product portfolio, adding a substantial volume of lump ore to our reserves. Lump ores are becoming increasingly scarce in our iron ore deposits in the Southern and Southeastern Systems in the state of Minas Gerais, Brazil. In addition, given its high quality, a major part of the Corumbá reserves can be employed in the direct reduction process, implying in a price premium over other ores.

In 2008, Corumbá produced 2.0 million metric tons of iron ore. The logistics assets enable it to be 70% self sufficient in the transportation of iron ore down the Paraguay river.

Vale has the intention to expand Corumbá's capacity up to 15.0 million metric tons per year, which will require an estimated capex of more than US\$ 2 billion, yet to be approved by Vale's Board of Directors. About US\$ 1.5 billion of the estimated capex will be spent on the purchase of convoys of barges, which could be ordered from Brazilian shipyards.

The Corumbá operations provide 705 direct jobs, 475 at the mine. When the expansion project is completed, a further 400 direct jobs will be created in mine operations and 300 in barge operations.

More information



Mônica Ferreira

monica.ferreira@vale.com

Rio de Janeiro

+55 (21) 3845-3636

Fatima Cristina

fatima.cristina@vale.com

Rio de Janeiro

+55 (21) 3485-3621