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Vale to sell minority stakes in Vale Oman Pelletizing Company

Vale informs that it has entered into agreement with Oman Oil Company S.A.O.C. (OOC), a company wholly-owned by the Government of the Sultanate of Oman, to sell 30% of Vale Oman Pelletizing Company LLC (VOPC), for US\$ 125 million.

This strategic partnership with the Omani government through one of its investment arms comes to reinforce Vale's commitment to its venture in the Sultanate, contributing to the country social and economic development.

The transaction remains subject to the terms set forth in the definitive share purchase agreement to be signed after the fulfillment of precedent conditions.

About VOPC

Vale is investing in a pelletizing plant and an industrial logistics center located within the Sohar Industrial Port Complex in Oman.

VOPC is the subsidiary that was formed by Vale to manage the construction and operation of the pelletizing plant. The plant start-up is scheduled for the second half of 2010 and will have a nominal production capacity of 9 million metric tons of direct reduction pellets per year.

Upon completion, the industrial logistics center will encompass a maritime terminal and a distribution center, with handling capacity of up to 40 million tons of iron ore and pellets per year.

Strategic Rationale

The current agreement is in line with Vale's business strategy to preserve long-term partnerships with key local players to support the implementation of greenfield projects. The Government of Oman has been a key partner in the success of Vale's venture in the region by cultivating a positive business environment.

Vale strongly believes that the transaction with OOC will support its strategy for business development and presence in the region, creating value for our shareholders.

More information



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