



Type what you want to search

Search

12/04/2008



## Vale announces adjustment in its nickel operations

Vale informs that in light of the conditions prevailing in the global nickel market it is taking steps to adjust its production plan in Canada in addition to the measures already announced with respect to its Indonesian operations.

Vale has decided to shutdown for an undetermined period of time the Copper Cliff South mine (CC South), located in the mining site of Sudbury, province of Ontario, Canada. Operations will be suspended from January onwards. The CC South output contributes to the production of 8,000 metric tons per year of finished nickel.

The Voisey's Bay operations, located in the province of Newfoundland and Labrador, Canada, and comprising the Ovoid mine and a processing mill, will be shutdown during the entire month of July 2009. Voisey's Bay produces nickel and copper concentrates. In the first nine months of 2008 its operations contributed to the production of 58,000 metric tons of finished nickel and 39,000 metric tons of copper in concentrate.

In addition to the production cutbacks, Vale has decided to postpone the start up of the development of the Copper Cliff Deep (CC Deep) project for a period of 12 months. As announced in our capex budget for 2009, the development of CC Deep has a total investment cost of US\$ 814 million, of which US\$ 138 million was budgeted to be spent in 2009. CC Deep involves the replacement of the current shafts in the Copper Cliff North and Copper Cliff South mines by one single shaft.

Vale also informs that in an effort to reduce costs its wholly-owned subsidiary, Vale Inco, is launching a voluntary retirement program for eligible staff employees across the globe. Vale Inco will pursue other initiatives to reduce costs.

In face of the uncertainties embedded in the current global economic scenario Vale retains the optionality to manage production according to its assessment of market conditions.

### 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