PRESS RELEASE

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Vale announces the sale of fertilizers assets and the acquisition of a minority interest in Mosaic

Vale informs that it entered into a stock purchase agreement with The Mosaic Company, a company listed on the New York Stock Exchange, to sell its Fertilizer business to Mosaic, excluding its nitrogen and phosphate assets in Cubatão, Brazil.

Upon completion of the transaction, Vale will sell to Mosaic (i) the phosphate assets located in Brazil, except the ones based in Cubatão; (ii) its shareholding position in Bayóvar, Peru; (iii) the potash assets located in Brazil, including the Carnalita project; (iv) the potash project based in Canada (Kronau). The inclusion of the Rio Colorado potash project in the transaction perimeter is subject to Mosaic's agreement following appropriate diligence. Vale's assets located in Cubatão, which are mostly dedicated to nitrogen nutrients and accounted for an adjusted EBITDA of US$ 108 million in 2015, will be carved out from Vale Fertilizantes prior to the completion of the transaction with Mosaic. Vale expects to explore the sale of Cubatão assets during 2017.

The transaction with Mosaic provides value of approximately US$ 2.5 billion, consisting of US$ 1.25 billion in cash and approximately 42.3 million shares of common stock to be issued by Mosaic. This number of shares currently represents about 11% of Mosaic's total outstanding shares of common stock on a post-issuance basis. Subject to limited exceptions, the Mosaic shares to be issued to Vale may not be transferred for two years following the closing, after which time Vale will have customary registration rights. Following completion of the transaction, Vale will also have the right to appoint two Directors to Mosaic's Board of Directors. Mosaic will also pay additional amounts to Vale as earn-out payments of up to US$ 260 million if the average MAP price and Brazilian Real exchange rate exceed certain thresholds during each of the two 12-month periods following completion of the transaction.

Consummation of the transaction is expected to occur in late 2017, subject to the completion of the carve-out of the Cubatão assets from Vale Fertilizantes, satisfaction of customary conditions precedent, including the approval of the Brazilian anti-trust authority (CADE) and of other antitrust authorities, and certain other operational and regulatory milestones.

The partnership with Mosaic adds substantial value to Vale's shareholders as it enhances Vale's exposure to the worldwide fertilizers market, particularly in the large and fast growing agricultural regions of North America and Brazil.

Vale continues to deliver on its divestment initiatives and will use the proceeds of this sale to reduce its debt position, while remaining exposed to the fertilizer business through its strategic stake in Mosaic.

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