

Press Release



For immediate release

PT Vale announces the closing of Divestment Transaction

October 7, 2020 - PT Vale Indonesia Tbk (“PT Vale”, IDX Ticker: INCO) announced today that, as informed by its shareholders, Vale Canada Limited (“VCL”) and Sumitomo Metal Mining Co., Ltd (“SMM”), VCL and SMM have completed the sale and transfer of an aggregate of 20% of their shareholding in PT Vale, through the Indonesian Stock Exchange, to the buyer nominated by the Government of the Republic of Indonesia, PT Indonesia Asahan Aluminium (Persero)¹ (“Inalum”) (“Transaction”). This further satisfies PT Vale’s divestment obligation under the Contract of Work Amendment dated 17 October 2014 signed by PT Vale and the Government of the Republic of Indonesia (“COW Amendment”). Based on the COW Amendment, a divestment process is one of the obligations that PT Vale needs to comply with to extend its operation beyond 2025.

“The completion of this divestment positions PT Vale well to continue contributing to the development of Indonesia and reinforces PT Vale’s long-standing commitment to value-added processing of nickel resources, sustainability and local empowerment in the country,” said Nico Kanter, CEO and President Director of PT Vale. “We believe that this long-term strategic partnership in managing strategic mineral resources in Indonesia is valuable to all shareholders and stakeholders.”

The sale and transfer of a 20% shareholding amounts to IDR 5,524,604,331,100 (five trillion, five hundred and twenty-four billion, six hundred and four million, three hundred and thirty-one thousand, one hundred Rupiah) comprise of 1,987,267,745 shares. The total 20% shareholding sold and transferred to Inalum represents 14.9% and 5.1% of VCL’s and SMM’s respective shareholding in PT Vale. Upon completion of the Transaction, VCL holds 44.3%² shares and SMM holds 15.0% shares in PT Vale, or a total of 59.3% shares.

Upon completion of the Transaction, the shareholding structure of PT Vale becomes as follows:

No	Shareholder Name	Number of shares	Percentage (%)
1	Vale Canada Limited	4,351,403,820	43.79%
2	Sumitomo Metal Mining Co Ltd	1,493,218,075	15.03%
3	Vale Japan Limited	54,083,720	0.55%
4	Sumitomo Corporation	14,018,480	0.14%
5	PT Indonesia Asahan Aluminium (Persero)	1,987,267,745	20.00%
6	Public	2,036,346,880	20.49%
	Total	9,936,338,720	100.00%

“PT Vale welcomes Inalum as a shareholder and applauds the alliance between VCL, SMM and Inalum. This reinforces PT Vale’s long-standing commitment to prosperity, sustainability and local empowerment in Indonesia. We also extend our appreciation to the Government of the Republic of Indonesia for its continuous support,” concluded Kanter.

¹ Recently renamed MIND ID.

² VCL’s 44.3% stake in PT Vale includes the participation through VCL (43.8%) and Vale Japan Limited (0.5%).

For further information, please contact:
Bernardus Irmanto, Chief Financial Officer
ptvi.investorrelations@vale.com
or visit our website at
www.vale.com/indonesia