

August, 2018

Clarifications - fatality occurred in Section 4, Nantcherre Ward, City of Tete, Mozambique

Due to the beginning of Vale's activities in the region, several initiatives were undertaken to raise awareness among communities about the risk of undue entry into the operational area due to the dangers inherent in the mining production process.

The fence of mining areas is a legal requirement under Article 15 no. 6 al. L, of the mining law (Law 14/2002 of June 26) and Vale carried out the activity without occurrences in 32 km of area.

Specifically, in the section near the Nantchere neighborhood, the fence works were paralyzed due to a contrary manifestation. Although Vale stopped the activities and sought to raise awareness of the risks and reasons for the fence work through dialogue, protesters were not allowed to continue the activities and threatened to invade the operation.

Increasing numbers of people, Vale called police and a spokesman to support peaceful negotiations. It happened that one of the proteste assaulted the policeman with an iron staff which led to a reaction of the other members and the action of the police to make shots into the air in order to disperse the group and stop the movement.

Regrettably, shortly afterwards, we were informed that a resident of the neighborhood was mortally hit by a stray bullet fired up.

Because of this, in addition to providing all the clarifications, Vale provided assistance to the family of the victim who recognized and formally thanked them by letter.

The incident reinforced the need for review and improvement in community relations processes, management of social impacts and social investments. The revised actions were organized as follows:

- Stakeholder Relationship and Engagement Program:
 - o Community Relations and Call Center Teams (800 000 020);
 - Weekly meeting with the District Administrator, Communities and Civil Society
 analysis and resolution of pending and definitions of partnerships;
 - Sections of the Provincial Government Auscultation in Sessions, whenever the government requests;
 - District Technical Committee (Resettlement Technical Committee) regular meetings with local government, community and civil society members;
 - Provincial Development Observatory: annual meeting held in June (observatory of civil society organizations);

- Impact Mitigation Program:
 - o Reinforcement of water supply in neighborhoods adjacent to the operation;
 - Supply of Firewood;
 - Road construction replacing previous access that passed through the operational area;
 - Improvements in Vila Moatize's schools, including construction and acquisition of equipment and materials.
- Income Generation Projects poultry, horticulture, animal feed mill;
- Income Cultures Project;
- · Training and preparation for the Labor Market;
- Portuguese & Mathematics Leveling Program;
- Local Labor Absorption.

Acting directly in the territory, Vale carries out the monitoring of areas surrounding the mine and during the first half of 2018, 347 monitoring visits and 409 sensitization and mobilization dialogues were carried out in the community of Ntchenga, Bagamoyo, 1º de Maio and Nhanchere districts.

Still in the sense of maintaining a continuous dialogue with the communities and concerned with the security issues that surrounds the closeness of these with the operations of Vale, the company is Implementing the Plan of Dissemination of Operational Safety in the surrounding communities. First, it seeks to raise public awareness of the dangers of accessing the operational area. Among the set of actions that involves the plan we highlight those carried out in schools, 11 were involved and the theme was placed in a playful and participative way with the students. Also included in the plan are radio spots, production of leaflets and plays.

Since the actions outlined above have been strengthened and the relationship with the communities intensified, no other type of protester was recorded.

The following is a letter received from the family of Mr. Hussene António Laitone, in gratefulness for the assistance rendered.

Da:

Familia Laitone

Tete

À:

Empresa Vale Moçambique

Tete

Assunto: Agradecimentos

Derivado de incidente que resultou em uma morte de nosso familiar que em vida era conhecido por Hussene António Laitone, vítima de baleamento ocorrido no Bairro Nhantchere na Vila Municipal de Moatize, no passado mês de Julho do corrente ano, a família Laitone vem através desta apresentar seus sinceros agradecimentos pelo todo apoio prestado pela empresa Vale Moçambique desde a aquisição da urna, géneros alimentícios, valor monetário para cobrir outras necessidades no processo das cerimónias fúnebres e transporte.

A família não quis deixar passar despercebido este gesto reconhecendo o valor humano que esta empresa demonstrou, por isso achou oportuno usar esta via para louvar o cometimento de V. Excias.

Sabemos que o problema ainda está em processo judicial e que esperamos que a justiça seja feita.

Tete, 10 de Agosto de 2017

Pelo Representante da Família Laitone

Lnogece Manue

Calatia

Inoque Manuel Galatia

Da:

Família Laitone

Tete

À:

Empresa Vale Moçambique

Tete

Assunto: Agradecimentos

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Tete, 10 de Agosto de 2017

Membros da Família Laitone

António Laitone Machaene / Pai - António Laitone Vachaene
Mauricio Manuel Galatia / Tio - Marricio Manuel Crafata
Inoque Manuel Galatia / Tio - I noque Marcol Galatia
Felizarda Elias Gastene / Tia Telizon de GOSTER
Erita Nelson Jacate / Prima -