

Vale S.A.
Form 6-K
April 01, 2019
Table of Contents

United States
Securities and Exchange Commission

Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16

of the

Securities Exchange Act of 1934

For the month of

March 2019

Vale S.A.

**Praia de Botafogo n° 186, 18° andar, Botafogo
22250-145 Rio de Janeiro, RJ, Brazil**

(Address of principal executive office)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

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(Check One) Form 20-F Form 40-F

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1))

(Check One) Yes No

(Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7))

(Check One) Yes No

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

(Check One) Yes No

(If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b). 82- .)

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Table of Contents

Table of Contents:

Press Release
Signature Page

1
8



Table of Contents

Table of Contents

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Any additional information about the shareholders debentures, including the Prospectus for Public Trading of Shareholders Debentures, can be obtained on our website, www.vale.com/Investors/Equity and Debt/Shareholders debentures, from GDC Partners Serviços Fiduciários DTVM Ltda. as fiduciary agent for the debentures, www.gdcctvm.com.br, and from the CVM (Brazilian Securities and Exchange Commission).

Table of Contents

Second half of 2018 (2H18)

Rio de Janeiro, March 29th, 2018 Vale will pay today, R\$ 381,885,787.76, equivalent to R\$ 0.982825601 per shareholder debenture, related to the total remuneration for the period between July and December of 2018 (2H18). The financial settlement will occur on April 2nd, 2019.

The total remuneration for 2H18 refers to (i) 1.25% of the net revenues from the sale of copper concentrate from the Sossego mine; and (ii) 1.80% of the net revenues from the sale of iron ore from the Northern System.

Shareholders debentures remuneration

6-month period ending on December 31st, 2018 (R\$)

| | |
|---|-----------------------|
| Remuneration on copper concentrate | 13,376,737.26 |
| Remuneration on iron ore from the Northern System | 368,509,050.50 |
| Remuneration on disposal of mining rights | 0.00 |
| Total remuneration | 381,885,787.76 |
| Remuneration per debenture | 0.982825601 |

Remuneration of shareholders debentures

R\$/shareholders debenture 2H12/2H18

Income tax will be charged on the amount to be paid to debenture holders, as fixed-income investments, applying the rate in relation to the individual situation of the beneficiary, with the exception of those who can provide legal, unequivocal, and proof that they are exempt or subject to a differentiated taxation.

Annual remuneration of shareholders debentures

| Year | Per debenture (R\$) | Total amount (R\$) |
|-------------|----------------------------|---------------------------|
| 2011 | 0.057 | 22,372,791.36 |
| 2012 | 0.057 | 22,260,404.79 |
| 2013 | 0.341 | 132,642,793.33 |
| 2014 | 0.732 | 284,859,604.30 |
| 2015 | 0.594 | 230,899,093.47 |
| 2016 | 1.043 | 405,149,990.84 |
| 2017 | 1.270 | 493,550,875.87 |
| 2018 | 1.654 | 642,842,084.48 |

Table of Contents

Iron ore

In 2H18, sales of iron ore totaled 163.7 Mt out of which 109.6 Mt correspond to the sales volumes in the Northern System. Sales of Vale's iron ore, net of maritime freight costs, totaled R\$ 34.5 billion in 2H18, out of which R\$ 23.5 billion corresponds to the Northern System. After applying the discounts provided in the Deed of Debentures to calculate the net revenues, among which R\$ 2.4 billion are related to transportation expenses, and the percentage of 1.8%, the value of the remuneration related to net revenues of iron ore from the Northern System is R\$ 368.5 million.

Remuneration on iron ore

| R\$ million | 2H18 | 1H18 | 2H17 | 1H17 | 2018 |
|--|--------------|--------------|--------------|--------------|--------------|
| Net sales revenues from the Northern System(1) | 20,472.8 | 13,837.5 | 14,168.6 | 11,923.6 | 34,310.3 |
| % basis for calculation | 1.8% | 1.8% | 1.8% | 1.8% | 1.8% |
| Remuneration on iron ore (R\$ million) | 368.5 | 249.1 | 255.0 | 214.6 | 617.6 |

(1) Gross sales minus expenses with transport and insurance and taxes on sales, which include taxes and contributions levied on sales separately, or on billing or gross revenues from sales, as well as the financial compensation due to the Brazilian Federal Government, States and Municipalities.

In Vale's Southeastern System, iron ore sales from the mineral deposits covered by the Private Deed for Shareholder Debentures totaled 1.389 billion metric tons until December 31st, 2018. It is expected that the cumulative sales volume of 1.7 billion metric tons, from which the sales of the Southeastern System are entitled to payment of the premium, will be achieved in March 2023(1), if annual sales of this System, covered by the Deed for Shareholder Debentures, remain equal to the sales volume of the last 12 months, ending in 2H18. It is important to note that this forecast may not be confirmed due to the impacts resulting from the rupture of the Dam I in Brumadinho.

(1) Does not consider the impacts on operations after the rupture of the dam of the Córrego do Feijão mine.

Table of Contents

Copper concentrate

In 2H18, sales of copper concentrate from Sossego totaled 187 thousand metric tons, 11.3% higher than the 168 thousand metric tons in the previous semester.

Sales of this product generated net revenues of R\$ 1,070.1 million, a 15.2% increase when compared to the R\$ 929.2 million in the previous semester.

The remuneration related to the sales of copper concentrate of R\$ 13,376,737.26, is calculated from the application of the 1.25% percentage on the net sales revenue of R\$ 1,070.1 million.

Remuneration on copper concentrate

| R\$ million | 2H18 | 1H18 | 2H17 | 1H17 | 2018 |
|---|-------------|-------------|-------------|-------------|-------------|
| Net sales revenue(1) | 1,070.1 | 929.2 | 1,014.2 | 895.4 | 1,999.3 |
| % basis for calculation(2) | 1.25% | 1.25% | 1.25% | 1.25% | 1.25% |
| Remuneration on copper concentrate | 13.4 | 11.6 | 12.7 | 11.2 | 25.0 |

(1) Gross sales minus expenses with transport and insurance and taxes on sales, which include taxes and contributions levied on sales separately, or on billing or gross revenues from sales, as well as the financial compensation due to the Brazilian Federal Government, States and Municipalities.

(2) On April 15, 1997, Vale only had a 50% stake in Mineração Serra do Sossego S.A. (Sossego). In 2001 Vale bought the remaining 50% of Sossego from Phelps Dodge do Brasil Mineração Ltda. Hence, the percentage basis for calculating remuneration is 2.5%, as described in the Deed of Issue of Debentures, multiplied by the Vale's share in the project at the time, 50%, and therefore, equal to 1.25%.

Table of Contents

Sales and leasing of mining rights

In 2H18 there was no leasing of mining rights contained in the Deed of Debentures.

In 2H18 there was no sale of area from the mining site contained in the Debentures Deed.

Losses of mining rights

In 2H18, there was no change in the number of areas and hectares compared to the previous period. There have been movements only in relation to publications that have altered the status of some mining processes, which do not represent loss.

The mining rights in force on December 31st, 2018, covered by the Deed of Issue of Debentures, amount 313 processes, equivalent to 1,650,248.81 hectares and are shown on the maps and lists in the attached Inventory of Mining Rights.

Projects under development

On March 27th, 2019, Vale announced its 4Q18 financial results, which is available on our website:

<http://www.vale.com/EN/investors/information-market/quarterly-results/Pages/default.aspx>

Production from S11D reached 32 Mt in 2H18.

The following table presents the evolution of the announced project related to future income from shareholders debentures.

| Project | Status | Related future remuneration |
|---|---|--|
| Carajás Serra Sul S11D Development of a mine and processing plant, located in the Southern range of Carajás, Pará, Brazil. | <ul style="list-style-type: none"> S11D (including mine, plant and associated logistics CLN S11D) achieved the conclusion of the mine site and 97% progress at | Payment of 1.8% of net sales as from the beginning of sales volumes from S11D. |

Estimated nominal capacity of 90 Mtpy. the logistic infrastructure sites

- The duplication of the railway reached 95% physical progress with 37 renovated yards out of a total of 55.

Table of Contents

Attachment Inventory of Mining Rights

| Block | Municipality | State | Substance(s) | Hectares | Stage(2) |
|------------------------|---|--------|---|--------------|-----------------------------------|
| Cachoeiro | Cachoeiro do Itapemirim | ES | Limestone | 683.23 | Mining concession |
| Carajás | São Félix do Xingu, Parauapebas, Canaã dos Carajás, Marabá, Tucumã, Curionópolis e Água Azul do Norte | PA | Gold, silver, copper, iron, manganese, nickel, quartzito, granite, beryl, tin, tantalum | 285,118.79 | Mining concession |
| Corumbá | Ladário and Corumbá | MT | Iron | 7,034.76 | Mining concession |
| Espinhaço | Guanhães, Morro do Pilar, Sabinópolis, Senhora do Porto e Conceição do Mato Dentro | MG | Gold, iron | 23,312.99 | Mining concession |
| Gradaús | Rio Maria, Bannach, Cumarú do Norte, Ourilândia do Norte and Tucumã | PA | Tungsten, chromium, silver | 53,488.17 | Application to mine |
| Parú Jari Sul | Almeirim, Mazagão and Monte Alegre | AP, PA | Saprolite, sulphur, phosphate, manganese, gold, titanium | 1,225,062.00 | Application to carry out research |
| Quadrilátero Ferrífero | Santa Bárbara, Mariana, Nova Lima, Itabira, Brumadinho, Ouro Preto, São Gonçalo do Rio Abaixo, Barão de Cocais, Caeté, Rio Piracicaba e Catas Altas | MG | Dolomite, iron, gold, arsenic, vanadium, quartz, manganese, silver, nickel | 35,304.65 | Mining concession |
| Riacho dos Machados | Rio Pardo de Minas and Riacho dos Machados | MG | Iron | 9,890.50 | Application to mine |
| Vazante | Vazante, Coromandel and Lagamar | MG | Zinc | 10,353.72 | Research permit |

(2) Most advanced stage of all areas in the block

Table of Contents

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Vale S.A.
(Registrant)

By:

/s/ André Figueiredo
Director of Investor Relations

Date: March 29th, 2019