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At: 10am

Vale Inco New Caledonia launches its second campaign to commission autoclaves

On 15 February, following the satisfactory results of the second performance tests carried out on the first line of autoclaves and the production of the first intermediary nickel product on an industrial scale, the Southern plant launched its second campaign to commission autoclaves for the production of nickel and cobalt.

Successful first round of autoclave tests with the production of the first intermediary nickel product

The first round took place in **two stages** lasting 30 consecutive hours:

1. As part of progressive commissioning, **the mechanical performance and system to check the first of the three autoclave circuits (HPAL1) were tested** under previously unheard-of temperatures and pressure (260°C and 50 bars). The aim of this stage was to check the design and good mechanical performance of the equipment. It allowed operational procedures to be fine-tuned and validated and was completed **successfully** on 25 January 2010.
2. The results of the **inspection phase** of the first autoclave (HPAL1) and its peripheral equipment, carried out by specialist teams from central maintenance from 25 January to 10 February 2010, **were positive**.

The cobalt and nickel solution, generated by this first campaign, was then further processed to an **intermediary nickel product**.

With the success of the first campaign and the convincing results of the inspections carried out, **the second autoclave campaign was launched last Monday**. Its focus over the next three weeks is to optimise the parameters of production and to produce a sufficient quantity of nickel and cobalt solution. This stage is preparatory to the commissioning of the refinery, a unit in which the nickel and cobalt solution will be purified, before becoming end products: nickel oxide and cobalt carbonate.

The first circuit of autoclaves at the Southern plant will be considered to be operational only after this second campaign and following the confirmation of satisfactory results.

For Peter Poppinga, Director General of Vale Inco New Caledonia, *'Following this second campaign of leaching and the production of a solution rich in nickel and cobalt, to happen between the end of this month and the beginning of March, we will next commission the refinery. At that point we shall also be in a position to optimise the plant's 'ramp up' curve for the next months. At the same time, looking to the future, we are carrying out great efforts to reduce costs in conjunction with, and with the support of, all stakeholders to consolidate the long-term competitiveness of the Southern plant.'*

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Vale Inco Nouvelle-Calédonie SAS au capital de 252.359.618 €
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Vale Inco Nouvelle-Calédonie SAS est une société par actions simplifiée relevant
Limited, Sumic Netherlands Nickel B.V. et la Société de Participation Minière du Sud Calédonien SAS.