We have applied for, and the Stock Exchange and/or the SFC has granted the following material waivers and exemptions.

WAIVERS FROM THE REQUIREMENTS OF THE LISTING RULES

Qualifications for listing

Appointment of independent non-executive directors

Rule 3.10 of the Listing Rules requires a listed company to appoint at least three independent non-executive directors. There is no equivalent concept of non-executive directors under Brazilian law. We are not subject to (or have been exempted from) any requirement to appoint independent directors, whether under Brazilian law or any of the rules and regulations of the stock exchanges on which our Shares or ADRs are listed or traded.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 3.10 of the Listing Rules on condition that we will undertake to procure the Fiscal Council to assume and perform all the duties and obligations required to be performed by independent non-executive directors under the Listing Rules (other than those described below).

The By-laws provide that the Fiscal Council is to be made up of three to five members. Please refer to the section in this Listing Document headed "Share capital — Voting rights" for details of the rights of holders of our Common Shares and Preferred Shares to vote on the election and removal of members of the Fiscal Council. Valepar, our controlling shareholder (as defined in the Listing Rules), has undertaken to the Stock Exchange that it will, insofar as it is able to do so by virtue of its shareholding in our Company from time to time, procure that the Fiscal Council will comprise at least three members who satisfy the independence requirements applicable to independent non-executive directors under Rule 3.13 of the Listing Rules and at least one of them will have appropriate professional qualifications or accounting or related financial management expertise as required of independent non-executive directors under Rule 3.10(2) of the Listing Rules.

We have also applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement under Rule 3.13 of the Listing Rules to confirm in each of our annual reports whether we have received the annual confirmation of independence from each of the independent members of the Fiscal Council and whether we still consider such independent member to be independent on condition that we will provide such confirmation, in the management proposal to be published together with the notice of our annual general meeting, with respect to each of the independent members of the Fiscal Council to be re-elected at such annual general meeting. Valepar has also undertaken to the Stock Exchange that it will, insofar as it is able to do so by virtue of its shareholding in our Company from time to time, procure each independent member of the Fiscal Council to notify our Company as soon as practicable if there is any subsequent change of circumstances which may affect his independence during the term of his appointment as a member of the Fiscal Council. Our Company will inform the Stock Exchange accordingly as soon as practicable if it receives any such notification.

Audit committee

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement under Rule 3.21 of the Listing Rules to establish an audit committee comprising non-executive directors only, with the majority of its members being independent non-executive directors and at least one of whom having appropriate professional qualifications or accounting or related financial management experience, on the basis that we will undertake to procure the Fiscal Council to perform the role of the audit committee under the Listing Rules. Valepar has undertaken to the Stock Exchange that it will, insofar as it is able to do so by virtue of its shareholding in our Company from time to time, procure that the Fiscal Council will be chaired by a member who satisfies the independence requirements under Rule 3.13 of the Listing Rules.

In performing the role of the audit committee, however, the Fiscal Council will not approve the remuneration or terms of engagement of the external auditor, or any questions of its resignation or dismissal as suggested in paragraph C.3.3(a) of Appendix 14, but will only make recommendations to the Board of Directors with respect to those matters, since it does not have the authority under Brazilian law to approve any of those matters. As an alternative, our Company has undertaken to the Stock Exchange to procure the Fiscal Council to review and evaluate the performance of our Company's external auditors on an annual basis and make a recommendation to the Board of Directors on whether our Company should remove its existing external auditors and appoint new external auditors. If the Board of Directors disagrees with the Fiscal Council's view on the selection, appointment, resignation or dismissal of the external auditors, we will include (a) the relevant opinion from the Fiscal Council; and (b) the reason(s) the Board of Directors has taken a different view, in the overseas regulatory announcement that we will issue in Hong Kong when we publish our annual report on Form 20-F filed with SEC.

Remuneration committee

The Fiscal Council will not perform the role of the remuneration committee under Appendix 14 to the Listing Rules. Instead, our executive development committee will perform this role. The current members of our executive development committee are all Directors. We will not reconstitute the executive development committee such that a majority of its members would meet the requirements for independence under Rule 3.13 of the Listing Rules as suggested in paragraph B.1.1 of Appendix 14, as (a) there is a requirement under the Corporations Act that at each annual general meeting, the total amount of remuneration payable to our Directors, members of the Board of Executive Officers and the technical and advisory committees, and the total amount of remuneration payable to members of the Fiscal Council for the period up to the next annual general meeting have to be approved by our Shareholders; (b) details of the proposed allocation of the total remuneration among our Board of Directors, the Board of Executive Officers and the technical and advisory committees, and among the members of the Fiscal Council are required to be disclosed to our Shareholders prior to the annual general meeting at which the total remuneration is to be approved; (c) our Shareholders will be able to know from the mandatory disclosure in the Annual Disclosure Document and our annual report on Form 20-F of the aggregate remuneration paid to each of the Board of Directors, the Board of Executive Officers, the technical and advisory committees and the Fiscal Council in the preceding financial year whether the actual allocation determined by our Board of Directors has deviated from the proposed allocation previously disclosed; (d) our Board of Directors will exercise its discretion to determine how the total amount of remuneration approved by our Shareholders is to be divided and allocated among each of our Directors, the Executive Officers, members of the technical and advisory committees and members of the Fiscal Council in accordance with the Corporations Act and the remuneration policy and practices disclosed by our Company in the Annual Disclosure Document.

In performing the role of the remuneration committee, our executive development committee will, instead of approving the matters suggested to be approved by the remuneration committee in Appendix 14 (which include (i) specific remuneration packages of all Directors and senior management; (ii) performance-based renumeration; (iii) compensation payable to the Directors and senior management in connection with any loss or termination of their office, and (iv) compensation arrangements relating to dismissal or removal of the Directors for misconduct), make recommendations to our Board of Directors on those matters, and will only make recommendations in respect of the remuneration of the Executive Officers and other key employees (including the senior management) of our Company but not the remuneration of the Directors or members of the Fiscal Council as suggested in paragraph B.1.3 of Appendix 14. The duties of our executive development committee will also not be extended to include the function to ensure that no Director or any of his associates is involved in deciding his own remuneration. The reasons for the deviations are (a) the Corporations Act does not require any of the foregoing matters to be subject to the approval of our Shareholders, the Fiscal Council or any technical or advisory committee

including our executive development committee. They are required to be approved by the Board of Directors only; and (b) pursuant to the By-laws, our executive development committee does not make recommendation on the remuneration of the Directors or members of the Fiscal Council.

Dealing in Shares prior to listing

According to Rule 9.09(b) of the Listing Rules, there must be no dealing in the securities for which listing is sought by any connected person of the issuer from four clear business days before the expected hearing date until listing is granted.

Our Common Shares and Class A Preferred Shares are currently listed on BM&FBOVESPA, NYSE (in the form of ADRs) and NYSE Euronext Paris (also in the form of ADRs). They are also traded on LATIBEX, which is a non-regulated electronic market created by the Madrid Stock Exchange for trading in the equity securities of companies in Latin America.

As at the Latest Practicable Date, so far as we are aware, Valepar was the only substantial shareholder of our Company within the meaning of the Listing Rules. Given that our Shares and ADRs are already publicly traded on BM&FBOVESPA, NYSE, NYSE Euronext Paris and LATIBEX, we are not in a position to control dealings in our Shares or ADRs by any other person (whether or not an existing Shareholder) or its associates who may, as a result of such dealing, become a substantial shareholder of our Company within the meaning of the Listing Rules.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 9.09(b) of the Listing Rules in respect of any dealing by any Shareholder (other than Valepar and the existing Directors and Executive Officers and their respective associates) from four clear business days before the date on which the hearing of the Listing Committee with respect to our Company's application for the secondary listing of the HDRs on the Stock Exchange is expected to take place until listing is granted, on condition that (a) we will promptly release any price-sensitive information to the public in accordance with all applicable laws, rules and regulations; (b) we will procure that none of Valepar, the Directors or Executive Officers or their respective associates will deal in our Shares or ADRs from four clear business days before such expected hearing date until listing is granted; and (c) we will notify the Stock Exchange if there is any dealing in the Shares or ADRs by Valepar, the Directors or Executive Officers or any of their respective associates during the relevant period.

Content requirements for listing document

Accountants' report

Accounting standards and disclosure of specific financial information

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 4.04(1), 4.05, 4.08, 4.09(1) and 4.10 of Chapter 4 of the Listing Rules to prepare an accountants' report in accordance with the Auditing Guideline — Prospectuses and the reporting accountant (Statement 3.340) and to disclose all the specified details concerning the financial information in the accountants' report, on the basis that we include our audited consolidated financial statements for the years ended 31 December 2007, 2008 and 2009 and the six months ended 30 June 2010 prepared in accordance with US GAAP in this Listing Document pursuant to Rule 19.39 of the Listing Rules. Our consolidated financial statements for the years ended 31 December 2007, 2008 and 2009 were audited by PricewaterhouseCoopers Auditores Independentes in accordance with the standards of the Public Company Accounting Oversight Board (United States) and our consolidated financial statements for the six months ended 30 June 2010 were audited by PricewaterhouseCoopers Auditores Independentes in accordance with International Standards on Auditing and the comparative condensed consolidated financial information of our Group for the six months ended 30 June 2009 was reviewed by PricewaterhouseCoopers Auditores

Independentes in accordance with the standards of the Public Company Accounting Oversight Board (United States).

Certain information which is required to be included in an accountants' report under Chapter 4 of the Listing Rules is not included in the audited financial statements of our Company set out in Appendix I to this Listing Document pursuant to the waiver. Such information includes:

(a) company-only balance sheet and related note disclosures;

(b) detailed list of current accounts with directors at year/ period end and the maximum amount outstanding during the year/ period;

(c) analysis of directors' remuneration waived, if any, for each of the relevant years/ periods;

(d) details of senior management (including directors') emoluments;

(e) analysis of the five highest paid individuals' emoluments;

(f) analysis of land held under freehold and leasehold, and lease terms for leasehold land;

(g) analysis of investments in subsidiaries at cost;

(h) analysis of the market values of investment in listed subsidiaries;

(i) analysis of equity or debt securities, and the place where the relevant securities are traded;

(j) detailed information of investments including the name of securities, place of incorporation, principal activities, particulars of issued shares held and interest held if the carrying amounts on an investment exceed 10% of the Group's total assets;

(k) credit terms of the accounts receivable and payables; and

(l) ageing analysis of year/period end accounts receivable and other receivables and accounts payables.

We have made the following alternative disclosures in the Listing Document with respect to the material items identified above which are relevant to the Group to provide additional information to investors:

(i) disclosure of both the fixed and variable remuneration of each of the Board of Directors, the Board of Executive Officers and the Fiscal Council in Appendix VII to this Listing Document;

(ii) disclosure of the land use rights with respect to the land occupied by members of the Group on which the Material Reserves are located in the section of this Listing Document headed "Business — Mining concessions and other related rights";

(iii) disclosure of the information on both our equity and debt securities, including their place of trading (where applicable), in the sections of this Listing Document headed "Information about this Listing Document and the Introduction" and "Financial information";

(iv) disclosure of the names of our Company's affiliated companies and joint ventures entities, our Company's interests in those entities and their principal business operations in Appendix I to this Listing Document; and

(v) disclosure of the credit policy and credit quality of the Group in the section of this Listing Document headed "Financial information".

Reporting accountants

We have also applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 4.03 of the Listing Rules for the accountants' reports to be prepared by certified public accountants who are qualified under the Professional Accountants

Ordinance for appointment as auditors of a company and who are independent both of our Company and of any other company concerned to the same extent as that required of an auditor under the Companies Ordinance and in accordance with the requirements on independence issued by the Hong Kong Institute of Certified Public Accountants. PricewaterhouseCoopers Auditores Independentes, who audited our consolidated financial statements for the years ended 31 December 2007, 2008 and 2009 and the six months ended 30 June 2010 prepared in accordance with US GAAP, has been appointed by us as the sole reporting accountant in connection with the Introduction in order to avoid the unnecessary costs and delay in engaging other certified public accountants who are qualified under the Professional Accountants Ordinance as auditors to conduct an extensive review of our audited financial statements for the years ended 31 December 2007, 2008 and 2009. PricewaterhouseCoopers Auditores Independentes is an internationally recognised accounting firm and registered with the Public Company Accounting Oversight Board — PCAOB (USA). It has extensive experience in securities offerings on BM&FBOVESPA and NYSE. It is independent both of our Company and of any other company concerned as required under the independence rules of the Public Company Accounting Oversight Board established by the Sarbanes-Oxley Act. We have requested PricewaterhouseCoopers Hong Kong to assist PricewaterhouseCoopers Auditores Independentes in performing its duties as reporting accountant for the Introduction. PricewaterhouseCoopers Hong Kong has been advising and will continue to advise PricewaterhouseCoopers Auditores Independentes regarding the accounting-related requirements.

Property valuation report

As of 30 September 2010, we owned more than 8,500 parcels of land and buildings. Most of the land is in remote areas where our mineral resources and production facilities are located, and the buildings and facilities constructed thereon are mainly purpose-built industrial facilities used for our Group's mining and exploration operations. The remainder of the land and buildings owned by us are mainly used in connection with our ports and railway operations. We do not have any leased land or buildings which are material to our business operations. The properties which are owned by us and are considered to be material to our operations are primarily parcels of land with respect to which the mining concessions for the Material Reserves (see below) have been granted to, and are owned by, us. We do not consider that the mining concessions with respect to those properties should be included in the valuation if those properties were to be valued in compliance with Chapter 5 of the Listing Rules. We do not consider that any of the properties held by any member of the Group under operating lease has any commercial value given that none of those properties may be freely disposed of or transferred. We believe that due to the specialised nature of the land and buildings, most of them will not have any significant commercial value or be subject to any significant fluctuation in their market value, and their net book value as stated in our unaudited consolidated financial statements for the nine months ended 30 September 2010 already provides a sufficient indication of their value.

On such basis and given that (a) our core business is not investment in properties; and (b) the net book value of the land and buildings owned by our Group accounted for only approximately 3.9% of our total assets as reflected in our unaudited consolidated financial statements for the nine months ended 30 September 2010, we have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 5.01 and Paragraph 3(a) of Practice Note 16 of the Listing Rules in respect of the requirement to prepare valuation of all our interests in land and buildings on the ground that it would be unduly burdensome for us in terms of both time and costs.

Considering that the net book value of the land and buildings owned by the Group accounted for only approximately 3.9% of our total assets as at 30 September 2010 and our Company's view that these proprietary interests (owned or leased properties) would not have any significant commercial value, the Sponsor is also of the view that it would be unduly burdensome for our Company to comply with the requirements under Rule 5.01 and Paragraph 3(a) of Practice Note 16 of the Listing Rules.

Disclosure for mining companies in the listing document

Reports of competent persons on mineral reserves

As of 30 June 2010, we owned and operated more than 60 mining sites and projects in different locations worldwide. Approximately 44% of those mining sites and projects were iron ore mines, while others included manganese, nickel and by-products, bauxite, copper, potash, phosphate rock and coal. Given the significant number of mining sites and projects involved and the number of countries in which they are located, as well as the wide range of mineral products produced, it would be unduly burdensome for us to engage one or more competent persons to prepare a report on the reserves of each of the mining sites and projects owned by us.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement under Rule 18.05(1) of the Listing Rules to prepare a competent person's report in respect of the reserves of each of the mining sites and projects owned by us, on the basis that we will engage competent persons to prepare reports on the Material Reserves.

We have identified the following as the Material Reserves:

Mineral	Location	Mines/complexes
Iron ore	Brazil	
	Southeastern System	Itabira complex
		Minas Centrais complex
		Mariana complex
		Corumbá complex
	Southern System	Minas Itabiritos complex
		Vargem Grande complex
		Paraopeba complex
	Northern System	Serra Norte complex
		Serra Sul
		Serra Leste
	Samarco	
Nickel	Canada	Sudbury
		Thompson
		Voisey's Bay
	Indonesia	Sulawesi
	New Caledonia	Vale New Caledonia (Goro)
	Brazil	Onça Puma
Copper	Brazil	Sossego
		Salobo
Coal	Mozambique	Moatize

The Material Reserves have been identified on the following bases:

(a) we have identified iron ore, nickel, copper and coal as the four minerals which are material to our current business operations and/or our future development;

(b) iron ore, nickel, copper and coal have been selected based on (i) their historical revenue contribution over the Track Record Period; (ii) their historical production volume over the Track Record Period; and/or (iii) their potential contribution to future revenue generated from the development of organic growth projects;

(c) the Material Reserves selected by us include all of the iron ore, nickel and copper reserves owned by us; and

(d) for coal, we have selected the Moatize reserves in Mozambique, which accounted for approximately 88% of our proven and probable reserves in coal as at the end of 2009.

Disclosure of full text of Competent Persons' reports

Given the significant number of mining sites and projects involved even when confined to the Material Reserves and the significant volume of the Material Reserves, the full text of each of the Competent Person's reports is of significant length. Inclusion of the full text of each of the Competent Person's reports in this Listing Document would make the document unduly long and cumbersome. We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement under Rule 18.05(1) of the Listing Rules to reproduce the full text of all the Competent Person's reports on the Material Reserves in this Listing Document on condition that we will (a) include the executive summary of each of those reports in this Listing Document; (b) publish the full text of all those reports on the Stock Exchange's website and our own website; (c) include in this Listing Document a reference to the Stock Exchange's website and our own website at which those reports may be found; (d) confirm in this Listing Document that all material information about the estimates of the Material Reserves has been disclosed in the executive summaries of those reports in this Listing Document; and (e) put the full text of all of the Competent Persons' reports on display and make them available for inspection together with all other documents required to be made available for inspection in accordance with paragraph 76 of Part E of Appendix 1 to the Listing Rules.

Disclosure of cash operating costs

Rule 18.06 of the Listing Rules provides that an estimate of the operating cash cost per appropriate unit for the minerals produced must be disclosed in the listing document. We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement under Rule 18.06 on the basis that as we are a mature mining company and have begun production for most of our mineral reserves for a period of time, we consider the disclosure of the information on the production volume of the minerals we produced during the Track Record Period in this Listing Document, and the historical costs of ores and metals sold during such period in our audited financial statements already provides sufficient information to the investors to provide them with an understanding of the operating costs of our production.

Reporting standard

The Competent Person's reports on the Material Reserves, other than those on our iron ore reserves, have been prepared in accordance with both Industry Guide 7 and one of the reporting standards prescribed by the Stock Exchange under Rule 18.29 of the Listing Rules. The Competent Person's reports on our iron ore reserves comprised in the Material Reserves have been prepared in accordance with Industry Guide 7 only.

Set out below is a summary of the main differences between the requirements under Industry Guide 7 and those of NI 43-101 (being one of the reporting standards prescribed by the Stock Exchange under Rule 18.29 of the Listing Rules):

	NI 43-101	Industry Guide 7
Study requirements	need preliminary feasibility study that shows mineral reserves are the economically mineable part of a measured or indicated mineral resource	not specified, but it is generally understood that SEC requires a "final" or "bankable" feasibility study showing that mineral reserves can be economically extracted
Permit requirements	reasonable expectation that government approvals will be provided	all necessary permits are in hand or will be issued imminently
Commodity pricing	no method provided for, but the accepted practice is to use the issuer's forward-looking prices	not specified, but SEC guidelines require reserve estimates to be based on average commodity price prevailing during the preceding three-year period
Disclosure of mineral resources	can disclose "measured", "indicated" and "inferred" mineral resources which have reasonable prospects of economic extraction but have not yet been demonstrated to be economically mineable	cannot disclose mineral resources except required to do so by foreign or state law or in the context of an acquisition, in which event it must be called "mineralised material"
Qualified person	disclosure must be based on a technical report or other information prepared by or under the supervision of a "qualified person" — which is basically an engineer or geoscientist with at least 5 years' experience in the mineral industry and who is a member of an approved institution with an enforceable code of ethics	disclosure must be accompanied by the name of persons making the estimates and disclosure of their relationships to the company whose reserves are being reported on but does not contain a competent or qualified person requirement

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement under Rule 18.29 of the Listing Rules to report on the estimates of our iron ore reserves comprised in the Material Reserves in accordance with one of the reporting standards specified in that rule.

Reporting on mineral and petroleum resources

We have various mineral resources and a small quantity of petroleum resources. We do not consider that our mineral and petroleum resources are material to our current operations, in the light of our extensive portfolio of mineral reserves.

Industry Guide 7 prohibits disclosure of any estimates other than proven or probable reserves, unless such information is required to be disclosed by foreign or state law or has been provided to a non-affiliate that is offering to acquire the securities of the reporting company.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement under Rule 18.29 to prepare Competent Person's report on any of our mineral or

petroleum resources for inclusion in this Listing Document on the basis that we do not consider that our mineral and petroleum resources are material to our revenue generating capacity in the near future and hence, the non-disclosure of estimates of those resources would not constitute an omission of material information with respect to our operations.

Other content requirements

We have applied for, and the Stock Exchange has granted, waivers from strict compliance with paragraph 33(3), 41(1) and 45(1) and (2) of Appendix 1E to the Listing Rules to disclose the following information in this Listing Document:

(a) information in respect of the five individuals whose emoluments were the highest in our Group for the year, on the basis that we disclose the aggregate remuneration of the Board of Executive Officers (which comprised the five highest paid individuals) for each of the three years ended 31 December 2007, 2008 and 2009 in this Listing Document;

(b) certain details of our Directors, Executive Officers and members of the Fiscal Council, including (i) current and past directorships in other listed public companies in the last three years held by every Director, proposed Director, Executive Officer, proposed Executive Officer, member of the Fiscal Council or proposed member of the Fiscal Council; and (ii) details of each Director or proposed Director which are required to be disclosed in an announcement relating to his appointment pursuant to Rule 13.51(2)(c)(i), (e) (as to relationship with any Director, Executive Officer and member of the Fiscal Council only), (f), (g), (h) to (x) of the Listing Rules;

(c) the interests and short positions of each Director and Executive Officer in the Shares, underlying Shares and debentures of our Company or any associated company, and the interests and short positions of any Shareholder (other than a Director or Executive Officer) in the Shares and underlying Shares which would fall to be disclosed to our Company under Divisions 2 and 3 of Part XV of the SFO, on the basis that we disclose (i) the aggregate interests of all the Directors, Executive Officers and members of the Fiscal Council and their respective Relevant Persons in the Securities of our Company (see definitions of Relevant Persons and Securities in Appendix V to this Listing Document) and in any of our Controlling Shareholders and subsidiaries; and (ii) the interests and short positions held by any Shareholder, other than the Directors, Executive Officers or members of the Fiscal Council, who holds 5% or more in the Securities of our Company, which are required to be disclosed by our Company pursuant to the CVM Rules.

We have also applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement under paragraph 76(2) in Appendix 1E to the Listing Rules to make available for inspection the material contracts entered into by any member of our Group within the two years immediately preceding the issue of this Listing Document which were not entered into in connection with the Introduction and which are disclosed in Appendix VIII to this Listing Document, on condition that the public announcements which had previously been issued by us in relation to those material contracts in accordance with the regulatory requirements of CVM, BM&FBOVESPA, SEC and NYSE are made available for inspection.

Post-listing compliance requirements

Corporate communications

Rule 2.07A of the Listing Rules provides that a listed issuer may send or otherwise make available to the relevant holders of its securities any corporate communication by electronic means, provided that either the listed issuer has previously received from each of the relevant holders of its securities an express, positive confirmation in writing or the shareholders of the listed issuer have resolved in general meeting that the listed issuer may send or supply corporate communications to

shareholders by making them available on the listed issuer's own website or the listed issuer's constitutional documents contain provision to that effect, and certain conditions are satisfied. Rule 2.07B provides that a listed issuer may, where it has made adequate arrangements to ascertain whether or not a holder of its securities wishes to receive the English version or the Chinese version of any corporate communication only, send the English version or the Chinese version only to the holder concerned. Any listed issuer availing itself of Rule 2.07A and 2.07B must afford holders of its securities the right at any time to change their choice as to whether they wish to receive corporate communications in printed form or using electronic means, or to receive the English version only, the Chinese version only or both the English and Chinese versions, as the case may be.

We do not currently produce or send out any corporate communications to our Shareholders (including financial statements, annual or quarterly reports and notice of shareholders' meetings) in printed form. In accordance with the Corporations Act and the regulatory requirements of CVM, BM&FBOVESPA and SEC, we are currently obliged to file all corporate communications to our Shareholders with CVM, SEC and BM&FBOVESPA as well as disclose them on the websites of CVM, BM&FBOVESPA and SEC. We also publish all corporate communications to our Shareholders on our own website.

As at 30 September 2010, we had more than 480,000 registered Shareholders with registered addresses in over 33 countries worldwide. Given our extensive shareholder base and the number of countries in which our Shareholders are located, it would not be practicable for us to send printed copies of corporate communications to all of our Shareholders. It would also not be practicable for us to approach our existing Shareholders individually to seek the confirmation of their intention to receive corporate communications in electronic form, or to provide them with the right to request for corporate communications in printed form instead.

With effect from the listing of the HDRs on the Stock Exchange, we will issue all future corporate communications on our own website in Portuguese, English and Chinese and on the Stock Exchange's website in English and Chinese. Those corporate communications will also be published on the websites of CVM, BM&FBOVESPA and SEC.

We currently provide our Shareholders with the option to request for electronic copies of our annual and quarterly reports as well as all the press releases and notices of Material Facts (please see definition in Appendix V to this Listing Document) to be sent to them by e-mail as soon as practicable after such reports, press releases or notices have been published. We will provide holders of our HDRs with the same option, pursuant to which any holder of our HDRs may request for electronic copies of our annual and quarterly reports, press releases and notices of Material Fact in English or Chinese to be sent to him by e-mail at an e-mail address to be provided by him to us as soon as practicable after such reports, press releases or notices have been published.

We will also publish a notice on the front page of our website whenever new corporate communications are issued notifying our Shareholders and ADR and HDR Holders.

On the basis of the above, we have applied for, and the Stock Exchange has granted, waivers from strict compliance with the requirements under Rule 2.07A and 2.07B.

Disclosure of the names of directors in listing document, circular and announcement and directors' responsibility statement

Rule 2.14 provides that any listing document, circular or announcement issued by a listed issuer pursuant to the Listing Rules must disclose the name of each director as at the date of the relevant listing document, circular or announcement.

Under the CVM Rules, the investor relations officer of our Company has the primary responsibility of disclosing and notifying CVM and BM&FBOVESPA (and any other stock exchange on which our shares are listed) of any Material Fact that has occurred in relation to our Company or our business. The investor relations officer has the obligation to ensure the timely and complete

disclosure of such Material Fact to the market and is primarily responsible for any non-compliance. The investor relations officer is also required to take responsibility for the accuracy of the content of any announcement or circular issued by us and only his name will be stated in such announcement or circular.

Under the CVM Rules, however, the primary responsibility of the investor relations officer of our Company for the issue and accuracy of the content of any announcement or circular to be issued by us does not absolve our Directors or Executive Officers from any such responsibility towards CVM. CVM Rules require, among others, Directors who acquire knowledge of a Material Fact to inform the investor relations officer, who must then proceed to disclose immediately the information to the market. If any Director becomes aware of a Material Fact which has not been immediately, adequately, correctly or completely disclosed to the market by the investor relations officer, he must request the investor relations officer to make immediate, adequate, correct or complete disclosure. If the investor relations officer fails to do so, the Director must inform CVM promptly. Any Director or the investor relations officer who is found to be in breach of the above requirements may face sanctions imposed by CVM which may vary from formal warnings, fines, a ban for up to 20 years on any activity in the securities market and disqualification from acting as managers of listed companies. Shareholders and investors who have suffered losses directly as a result of a breach by the investor relations officer or any Director of his disclosure obligations may also file a complaint with CVM or bring a civil action against such Director or the investor relations officer.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the following requirements:

(a) the requirement under Rule 2.14 of the Listing Rules to disclose the names of the Directors in any announcement or circular to be issued by us pursuant to the Listing Rules. We will comply with the requirement to disclose the names of our Directors in any listing document to be issued by us pursuant to the Listing Rules; and

(b) the requirement to include a responsibility statement to be given by the Directors in any announcement or circular which we are required to issue under the Listing Rules (as modified by the waivers granted to us by the Stock Exchange), including the responsibility statement in any announcement made pursuant to Note 2 of Rule 13.10 of the Listing Rules confirming that our Company is not aware of any matter or development that is or may be relevant to the unusual price movement or trading volume of our listed securities on condition that our Company will include the responsibility statement to be given by the chief financial and investor relations officer of our Company in all announcements to be issued by it pursuant to Note 2 of Rule 13.10 of the Listing Rules.

Methods of listing

Chapter 7 of the Listing Rules sets out the methods by which equity securities may be brought to listing, and the requirements applicable to each method. We have applied for, and the Stock Exchange has granted, waivers from strict compliance with certain of the requirements under Chapter 7.

Offer for subscription and offer for sale

Listed companies in Brazil may offer new shares for subscription or their shareholders may offer existing shares for sale to the public by way of a public offering. Any issue of new shares offered for subscription by us must be made either pursuant to the general authorisation granted to the Board of Directors to issue new shares under the By-laws or a specific approval by our Shareholders.

In the event that an offer for subscription of new shares is being made by us to the public in Hong Kong or an offer for sale of existing shares is being made by our controlling shareholder (as defined in the Listing Rules) to the public in Hong Kong, we will comply with the requirements of

Rule 7.03, 7.04, 7.05, 7.07 and 7.08 of the Listing Rules, which require, among others, a listing document to be issued.

In the event that an offer for subscription or an offer for sale is being made in any jurisdiction otherwise than to the public in Hong Kong, we have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements of Rule 7.03, 7.04, 7.05, 7.07 and 7.08 of the Listing Rules.

To ensure that HDR Holders are kept informed of the details of any public offering (whether an offer for subscription or offer for sale) that we may undertake outside Hong Kong from time to time, we will publish any announcement or document required to be issued in connection with any such public offering under applicable Brazilian rules or regulations on the Stock Exchange's website by way of an overseas regulatory announcement at the same time as, or if not practicable due to time difference, as soon as practicable after, such announcement or document has been published on the website of CVM and/or BM&FBOVESPA.

Placing

An offer for subscription or sale of shares by a listed company under Brazilian law will either be a public offering (that is, where the offer is marketed to an uncertain number of investors, irrespective of the types of investors, by way of the publication of a prospectus) or a private offering (that is, where the offer is extended only to its existing shareholders, who may transfer their subscription rights to third parties, on a pro rata basis and shares not taken up will be allotted to other existing shareholders who have expressed an intention to subscribe for the untaken shares or sold by the company in the market).

We will comply with the requirements of Rule 7.10 and 7.12 of the Listing Rules in the event that we conduct any offering (which falls within the meaning of a placing under Rule 7.09) of securities of a class new to listing on the Stock Exchange. We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements of Rule 7.10 and 7.12 where we conduct any placing of securities of a class new to listing on any other stock exchange.

Rights issue

Listed companies in Brazil may offer new shares for subscription to their existing shareholders on a pro rata basis pursuant to their statutory pre-emptive rights by way of a private offering (being similar to a rights issue in Hong Kong).

If, at any time after the listing of the Depositary Receipts on the Stock Exchange, we undertake a private offering and the offer is being extended to the HDR Holders in a manner that would require us to comply with the requirements under the Companies Ordinance in relation to an offer to the public (including those in relation to prospectuses), we will comply with the relevant requirements under the Companies Ordinance and the requirement of Rule 7.22 of the Listing Rules with regard to the issue of a listing document. Otherwise, we have applied for, and the Stock Exchange has granted, a waiver from the requirement under Rule 7.22.

We have also applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 7.19 to 7.21 of the Listing Rules in the event we undertake a private offering, on the basis that:

(a) any issue of new Shares by our Company pursuant to a private offering must be approved by its Shareholders, whether specifically or through a general authorization by way of amendment to the By-laws. The Corporations Act does not, however, require any shareholder to abstain from voting in the resolution approving the new issue unless under the specific circumstances set forth in the Corporations Act (see Appendix V to this Listing Document);

(b) we are not required under Brazilian law to issue a prospectus in the event of a private offering;

(c) Brazilian law does not require a private offering to be underwritten by a financial institution or other third party or additional disclosure similar to those required under Rule 7.19(3), (4) and (5) to be made where a private offering is not fully underwritten; and

(d) there is no equivalent of renounceable provisional letters of allotment or other negotiable instrument issued in connection with a private offering and allocation of rights shares to shareholders and trading of rights not taken up by shareholders are conducted electronically through the central clearing system and the broker's accounts.

To ensure that HDR Holders are kept informed of the details of any private offering that we may undertake from time to time, we will publish any announcement or document required to be issued in connection with any such private offering under applicable Brazilian rules or regulations on the Stock Exchange's website by way of an overseas regulatory announcement at the same time as, or if not practicable due to time difference, as soon as practicable after, such announcement or document has been published on the website of CVM and/or BM&FBOVESPA. We will also ensure that details of the entitlements of the HDR Holders with respect to such private offering and the manner in which their entitlements may be accepted or disposed of will be disclosed in accordance with Brazilian law and set out in any such announcement or document.

Capitalisation issue and exchange issue

Under the Listing Rules, a capitalisation issue is defined as an allotment of further securities by a listed company to its existing shareholders, credited as fully paid up out of its reserves or profits, in proportion to the existing holdings of its shareholders, or otherwise not involving any monetary payments, and an exchange issue is defined as an exchange or a substitution of securities for or a conversion of securities into other classes of securities.

In Brazil, a company whose shares do not have any par value (as in the case of our Company) may undertake a capitalisation issue by capitalising its reserves or profits, thereby increasing the amount of paid-up capital represented by each share in issue but not, however, increasing the number of shares in issue. It will involve an amendment of the by-laws of the company and hence, will require approval by the shareholders. The company is required to publish a management proposal disclosing the reasons for the capital increase and setting out the proposed amendments at the same time as the publication of the notice convening the shareholders' meeting at which such amendments are to be approved.

Under Brazilian law, an exchange issue by a company is required to be approved by its shareholders since it will involve an amendment of its by-laws and may also involve a change in the rights attached to the existing class of shares. The company is required to publish a management proposal setting out the proposed amendments at the same time as the publication of the notice convening the shareholders' meeting at which such amendments are to be approved.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 7.28 and 7.29 (with respect to capitalisation issue) and Rule 7.32 and 7.33 (with respect to exchange issue) of the Listing Rules. On such basis, if we undertake a capitalisation of our reserves or profits or an exchange issue, we will comply with applicable legal and regulatory requirements in Brazil where we maintain our primary listing.

To ensure that HDR Holders are kept informed of the details of any capitalisation of reserves or profits or exchange issue that we may undertake from time to time, we will publish any announcement or document required to be issued in relation to such capitalisation or exchange issue (as the case may be) under applicable Brazilian rules or regulations on the Stock Exchange's website by way of an overseas regulatory announcement at the same time as, or if not practicable due to time difference, as soon as practicable after, such announcement or document has been

published on the website of CVM and/or BM&FBOVESPA. We will also ensure that disclosure will be made in accordance with Brazilian law in any such announcement or document (a) in the case of a capitalisation of our reserves or profits, on the amount of the increased share capital upon completion of the capitalisation; and (b) in the case of an exchange issue, on the details of the entitlements of the HDR Holders with respect to such exchange issue and the effect on the existing rights on the securities.

Share repurchase and treasury shares

Dealing restrictions

Under Rule 10.06(2) of the Listing Rules, a listed issuer is subject to certain dealing restrictions in connection with the repurchase of any of its shares on the Stock Exchange. Rule 19.43(1) of the Listing Rules provides that the Stock Exchange will be prepared to waive some or all of the applicable dealing restrictions set out in Rule 10.06(2) if an overseas issuer's primary exchange already imposed equivalent dealing restrictions on the overseas issuer in respect of shares on the Stock Exchange.

We are currently subject to equivalent or similar dealing restrictions on share repurchases under the CVM Rules as those set out in Rule 10.06(2) of the Listing Rules:

(a) under Article 2 of CVM Rule 10/80, we are prohibited from purchasing our own shares at a price that exceeds their market value;

(b) all transactions under a stock buy-back programme must be effected on a stock exchange, unless CVM grants a special authorisation. As a general rule, repurchases of shares are made in cash;

(c) under Article 2 of CVM Rule 10/80, we are prohibited from purchasing our own shares from the Controlling Shareholders. Although there is no equivalent provision in Brazil which prohibits repurchases knowingly from directors and chief executives and other related parties, given that all transactions under a stock buy-back programme must be effected on a stock exchange unless CVM grants a special authorisation. It is practically very difficult for us to knowingly repurchase our shares from any particular person, including any connected person as defined in Chapter 14A of the Listing Rules; and

(d) under the CVM Rules, no repurchases of shares by us may be made when (i) disclosure of price-sensitive information is pending; and (ii) 15 days before the publication of our annual and quarterly financial statements.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule 10.06(2) with respect to any repurchase by us of our HDRs on the Stock Exchange, our Shares on BM&FBOVESPA or our ADRs on NYSE or NYSE Euronext Paris, on condition that we will comply with Rule 10.06(2)(d) and procure any broker appointed by us to effect any repurchase of HDRs on the Stock Exchange to disclose to the Stock Exchange such information with respect to the repurchase made on behalf of our Company as the Stock Exchange may request.

Publication of details of share repurchase

Rule 10.06(4)(a) requires a listed issuer to submit to the Stock Exchange for publication the total number of shares purchased by the listed issuer and certain other information, not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day following any day on which the listed issuer makes a purchase of its shares.

We are not required under any of the rules and regulations of CVM or BM&FBOVESPA or those of SEC, NYSE or AMF to disclose any repurchase of shares immediately after such repurchase occurs. However, we are required by the CVM Rules to publish on the websites of CVM and BM&FBOVESPA,

as well as any stock exchange on which our securities are traded (if required by such stock exchange) the resolution of our Board of Directors or Shareholders approving a stock buy-back programme and its terms, and a general authorisation to the Executive Officers to cancel or maintain in treasury the repurchased shares, immediately after the passing of such resolution.

The CVM Rules also require us to include in our annual and quarterly financial statements (a) the number of shares repurchased (set out by type and class) during the year or relevant quarterly period (as the case may be); and (b) the highest, the lowest and the weighted average price paid for such repurchases, both of which are information required to be disclosed under Rule 10.06(4)(a). We are also required to disclose the net profit on all sales of treasury shares, the market value of our shares (set out by type and class) based on the last trading day of the previous financial year or quarterly period (as the case may be), any adjustments accrued on the price of shares held in treasury due to inflation, and the purpose for making such repurchase. SEC imposes a similar requirement for annual disclosure of share repurchases in the Form 20-F (including the number of shares purchased per month and the average price paid per share per month).

The only information which we are not currently required to disclose under the CVM Rules but is required under Rule 10.06(4)(a) is the confirmation that the repurchase was made in accordance with the rules of the stock exchange on which such repurchase was made, and to address this, we will include such confirmation in the overseas regulatory announcement that we will issue in Hong Kong when we publish our quarterly financial statements.

Our Company will, if it repurchases any of its Shares, ADRs or HDRs and such repurchase is sufficiently material so as to constitute price sensitive information, comply with Rule 13.09(1) of the Listing Rules and promptly publish an announcement disclosing relevant details of the repurchase.

On the basis of the above, we have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement in Rule 10.06(4)(a) for publication of details of any share repurchase on the business day following the day on which such repurchase is made. We will continue to disclose details of share repurchases in our annual and quarterly financial statements in accordance with the CVM Rules.

Cancellation of shares upon repurchase

Rule 10.06(5) of the Listing Rules provides that the listing of all shares which are purchased by an issuer (whether on the Stock Exchange or otherwise) shall be automatically cancelled upon purchase and the listed issuer must apply for listing of any further issues of that type of shares in the normal way. The listed issuer must also ensure that the documents of title of purchased shares are automatically cancelled and destroyed as soon as reasonably practicable following settlement of any such purchase. Rule 19.43(2) provides that the Stock Exchange will be prepared to waive the requirement to cancel and destroy the documents of title of purchased shares in the case of an overseas issuer whose primary exchange permits treasury stock, provided that the overseas issuer must apply for the re-listing of any such shares which are reissued as if it were a new issue of those shares. Rule 19B.21 further provides that if depositary receipts are purchased by the listed issuer, it shall surrender the purchased depositary receipts to the depositary. The depositary shall then cancel the surrendered depositary receipts and shall arrange for the shares represented by the surrendered depositary receipts to be transferred to the issuer and such shares shall be cancelled by the issuer.

Treasury stock is permitted under the Corporations Act and the CVM Rules in Brazil and the rules and regulations issued by SEC and NYSE in the United States. Hence, Shares or ADRs purchased by us may be held by us as treasury stock. Our treasury stock (which includes shares held by our subsidiaries and affiliates) may not exceed 10% of the free float of each type or class of Shares. Since the listing approval granted by BM&FBOVESPA to us was by reference to the entire class of our Common Shares and Class A Preferred Shares (including Shares held in the form of treasury stock) and not just limited to the Common Shares or Class A Preferred Shares in issue, if we decide to offer any treasury stock, it would not be necessary to apply to BM&FBOVESPA for the re-listing of such treasury stock. Further,

our Shares are in book-entry form registered in the name of each Shareholder or its nominee and no document of title exists.

In the event we repurchase any HDRs listed on the Stock Exchange, we will comply with Rule 19B.21 of the Listing Rules to surrender the repurchased HDRs to the HDR Depositary, who will cancel the surrendered HDRs and arrange for the underlying shares represented by the surrendered HDRs to be transferred to us. However, we will not cancel the Shares represented by any surrendered HDRs as treasury stock is permitted under the Corporations Act and the CVM Rules in Brazil.

On the basis of the above, we have applied for, and the Stock Exchange has granted, waivers from strict compliance with the requirements under Rule 10.06(5) and 19B.21 of the Listing Rules for us to (a) cancel the listing; (b) apply for the re-listing of any further issue; and (c) cancel and destroy the documents of title of any Shares purchased by us on BM&FBOVESPA or any Shares represented by ADRs purchased by us on NYSE or any Shares represented by HDRs purchased by us on the Stock Exchange, on condition that our Company:

(a) has a secondary listing on the Stock Exchange and maintains the primary listing of our Shares on BM&FBOVESPA and the listing of our ADRs on NYSE;

(b) complies with the rules and regulations of CVM, BM&FBOVESPA, SEC and NYSE relating to treasury stock and will inform the Stock Exchange as soon as reasonably practicable in the event of any failure to comply or any waiver having been granted to our Company;

(c) will inform the Stock Exchange as soon as reasonably practicable in the event of any change to the Brazilian or US regulatory regime on treasury stock;

(d) will confirm compliance with the conditions set out in (a) to (c) above in the overseas regulatory announcement that we will issue in Hong Kong when we publish our annual report on Form 20-F and the management proposal to be issued by us together with the notice of any general meeting at which any stock buy-back programme is to be approved; and

(e) will comply with any applicable requirements in the event of any change to the Hong Kong regulatory regime or the Listing Rules on treasury stock (subject to any waiver which may be sought by our Company and granted by the Stock Exchange or other relevant regulatory authorities).

As part of this waiver application, we have agreed with the Stock Exchange a list of modifications to a number of provisions under the Listing Rules which are necessary to enable our Company to hold our current and future treasury shares. Those modifications also reflect various consequential matters to deal with the fact that our Company may hold treasury shares in the future. For the full list of those modifications, please refer to Appendix IV to this Listing Document. We will provide an annual submission to the Stock Exchange regarding any further modifications to the Listing Rules which are necessary as a result of any changes in the Listing Rules or other applicable laws and regulations. Any further modifications to the Listing Rules will have to be agreed with the Stock Exchange in advance.

Further issue of securities

Rule 10.08 of the Listing Rules provides that no further shares or securities convertible into equity securities of a listed issuer may be issued or form the subject of any agreement to such an issue within six months from the date on which securities of the listed issuer first commence dealing on the Stock Exchange.

Our Common Shares and Class A Preferred Shares are already listed on BM&FBOVESPA and (in the form of ADRs representing ADSs) NYSE and NYSE Euronext Paris and hence, the listing on the Stock Exchange is not an initial but a further listing. Apart from the statutory pre-emptive rights conferred under the Corporations Act and the By-laws, we are currently not subject to any

restriction which prevents us from issuing new shares. The listing of our HDRs on the Stock Exchange will be by way of introduction and will not involve any fund raising and hence, there is no concern of new investors being subject to the risk of dilution within a relatively short time after the listing. On such basis, we consider that it would be unduly onerous to restrict our ability to raise funds through the issuance of new shares on terms set out in Rule 10.08.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the restrictions on further issue of securities within six months from the Listing Date under Rule 10.08 of the Listing Rules, and a consequential waiver from strict compliance with Rule 10.07(1)(a) of the Listing Rules in respect of the deemed disposal of Shares by our controlling shareholder(s) upon issue of securities by our Company within the first six months from the Listing Date, on condition that Valepar will remain as the controlling shareholder (as defined in the Listing Rules) of our Company within the first twelve months following the Introduction.

Notifiable transactions

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements applicable to notifiable transactions in Chapter 14 of the Listing Rules. We will continue to comply with the continuing obligations with respect to Material Facts and Major Acquisitions under the rules and regulations issued by CVM and SEC which include:

(a) if the transaction constitutes a "Major Acquisition" within the meaning of the Corporations Act (please see Appendix V to this Listing Document), we will comply with the requirements under the Corporations Act of obtaining Shareholders' approval prior to completion of the acquisition or seeking Shareholders' ratification after completion of the acquisition as well as any requirement to issue an announcement at the time when the acquisition is entered into; and

(b) otherwise, if the transaction constitutes a Material Fact, we will announce the transaction in accordance with the requirements of the CVM Rules and SEC rules at the time when the transaction is entered into, and the announcement will be published on the Stock Exchange's website at the same time as, or if not practicable due to the restrictions in Rule 2.07C(4)(a) of the Listing Rules or the closure of the electronic document submission system of the Stock Exchange outside operational hours, as soon as practicable after, such notice is published on the websites of CVM, BM&FBOVESPA and/or SEC.

For more information about the compliance obligations under the Corporations Act, the CVM Rules and/or SEC rules in respect of Major Acquisitions and Material Facts, please refer to Appendix V to this Listing Document.

Connected transactions

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements applicable to connected transactions in Chapter 14A of the Listing Rules. We will continue to comply with the continuing obligations with respect to related party transactions under the rules and regulations issued by CVM and SEC. On such basis, we will:

(a) if any related party transaction constitutes a Material Fact, publish a notice of Material Fact immediately after such transaction has been entered into;

(b) include in our Annual Disclosure Document, the outstanding balances and summaries of all related party transactions that we have entered into during the three years preceding the date of the Annual Disclosure Document and/or that are effective in the year to which the Annual Disclosure Document relates;

(c) include in our quarterly report, the outstanding balances and summaries of all related party transactions that we have entered into during that quarter; and

(d) include in our annual report on Form 20-F specific disclosure about the outstanding balances of all related party transactions for the period since the beginning of our last full fiscal year up to the latest practicable date before the filing of the Form 20-F.

Options, warrants and similar rights

Chapter 15 of the Listing Rules sets out certain criteria to be satisfied by a listed issuer before the Stock Exchange will grant approval for the issue or grant of options, warrants or similar rights to subscribe or purchase equity securities by the listed issuer or any of its subsidiaries and to the issue of warrants which are attached to other securities by the listed issuer or any of its subsidiaries, as well as the minimum content to be included in the circular or the notice to be sent to the shareholders when convening a general meeting to approve the issue or grant of such options, warrants or rights. Practice Note 4 of the Listing Rules sets out certain additional requirements for the issue of new warrants to existing warrantholders by a listed issuer or the alteration of the exercise period or the exercise price of existing warrants.

Under the Corporations Act, there are similar concepts as those under Chapter 15 of the Listing Rules which require (a) all warrants to be either approved by shareholders or, where there has been prior authorisation granted by the shareholders, by the board of directors; and (b) the issue of warrants to be subject to a limit in terms of the number of shares that may be issued upon the exercise of those warrants.

The main differences are under the laws and regulations of Brazil, there is no maximum percentage limit on the shares that may be issued upon exercise of the warrants in issue or a time limit on the expiry of the warrants as in Chapter 15 of the Listing Rules.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Chapter 15 and Practice Note 4 of the Listing Rules in relation to the issue or grant of options, warrants or similar rights to subscribe or purchase equity securities of our Company or any of our subsidiaries.

Share option scheme

According to Rule 19.42 of the Listing Rules, the Stock Exchange may be prepared to vary the requirements applicable to schemes involving the issue of or grant of options over shares or other securities by a listed issuer to, or for the benefit of, executives and/or employees set out in Chapter 17 of the Listing Rules for an overseas company if its primary listing is on another stock exchange where different (or no such) requirements apply.

As our Company's primary listing is on BM&FBOVESPA, our Company is required to comply with the provisions under the CVM Rules in respect of stock option plans. As at the Latest Practicable Date, none of our Company or any of its subsidiaries has adopted any share option scheme that falls within the meaning of Chapter 17 of the Listing Rules.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements in Chapter 17 of the Listing Rules with respect to any share option scheme to be adopted by us or any of our subsidiaries, on condition that for so long as our HDRs are listed on the Stock Exchange, we will ensure that if and when our Company adopts a stock option plan, no stock option will be granted by us (a) after a Material Fact has arisen until a notice of Material Fact has been published; or (b) during the period of 30 days immediately preceding the publication of our quarterly financial statements and annual financial statements.

Continuing obligations for mining companies

We have applied for, and the Stock Exchange has granted, waivers from strict compliance with the following continuing obligations under Chapter 18 of the Listing Rules:

(a) the requirement under Rule 18.16 for a mineral company to include an update of its resources and/or reserves in its annual report in accordance with a recognised standard acceptable to the Stock Exchange under which they were previously disclosed, on the basis that (i) we currently prepare estimates of all of our proven and probable mineral reserves in accordance with Industry Guide 7 issued by the SEC and disclose such estimates annually in the Form 20-F which we file with the SEC and we do not disclose estimates of our resources; (ii) given the size and geographical spread of our mineral reserves, it would be unduly burdensome if we were to comply with the relevant requirements under Chapter 18 in addition to the regulatory requirements which we are currently subject to;

(b) the requirement under Rule 18.30(4) for a mineral company to ensure that for commodity prices used in pre-feasibility studies, feasibility studies and valuations of indicated resources, measured resources and reserves, the methods to determine those commodity prices, all material assumptions and the basis on which those prices represent reasonable views of future prices are explained clearly, and if a contract for future prices of mineral reserves exists, the contract price is used, on the basis that (i) we have been using price assumptions equal to or less than the average prices for the immediately preceding three years of each mineral for the purposes of determining estimates of our mineral reserves in any year. Such price assumptions have been accepted by the SEC and are disclosed in our annual reports on Form 20-F; and (ii) we consider that the price assumptions based on historical prices are conservative, whereas future prices could be volatile and speculative;

(c) the requirement under Rule 18.32 for a mineral company to disclose information on petroleum resources under either the Petroleum Resources Management System published by the Society of Petroleum Engineers, American Association of Petroleum Geologists, World Petroleum Council and Society of Petroleum Evaluation Engineers in March 2007 (as amended from time to time) (**PRMS**) or other codes acceptable to the Stock Exchange. We do not have any petroleum reserves and only a limited amount of petroleum resources. We will, if we have any petroleum reserves in the future, report on those reserves in accordance with both Industry Guide 2 issued by the SEC and PRMS. We will not, however, disclose any petroleum resources on the basis that Industry Guide 2 prohibits disclosure of any petroleum resources unless such information is required to be disclosed by foreign or state law or has been provided to a non-affiliate that is offering to acquire the securities of the reporting company.

Content requirements of articles of association or equivalent document

Appendix 3 to the Listing Rules provides that the articles of association or equivalent document of a listing applicant must conform to the provisions contained therein (the **Appendix 3 Requirements**). The By-laws do not conform to certain of the Appendix 3 Requirements and we have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the Appendix 3 Requirements set forth below:

As regards transfer and registration

Appendix 3 Requirement 1(1) states that transfers and other documents relating to or affecting the title to any registered securities shall be registered and where any fee or fees is or are charged, such fee or fees shall not exceed the maximum fees prescribed by the Stock Exchange from time to time in the Listing Rules.

In accordance with the Corporations Act, all transfers of legal ownership in the shares of our Company must be registered in the register of transfers of our Company maintained by Banco Bradesco. As the requirement for registration of transfer of the legal ownership in the shares of our Company is imposed by law, it is not necessary for such a requirement to be incorporated into the By-laws.

There is no prescribed fee payable on registration of transfer of shares in our Company either under the Corporations Act or the By-Laws. Although the Corporations Act does not prohibit a company from charging a fee on registration of transfer of its shares, our Company currently does not charge any fee for registration of any such transfer.

Appendix 3 Requirement 1(2) states that fully-paid shares shall be free from any restriction on the right of transfer (except when permitted by the Stock Exchange) and shall also be free from all lien.

Although there is no equivalent provision in the By-Laws, there is a similar requirement to Appendix 3 Requirement 1(2) for publicly traded shares under the Corporations Act, which provides that shares admitted to public trading on BM&FBOVESPA are required to be free from all liens, and while any shareholder may encumber his shares, any encumbered shares may not be traded on BM&FBOVESPA or any other regulated markets in Brazil.

As regards definitive certificates

Appendix 3 Requirement 2(1) states that all certificates for capital shall be under seal, which shall only be affixed with the authority of the directors.

All shares of our Company are in scripless and book-entry form which do not require share certificates to be issued. The book entry system is not compatible with the issuance of share certificates. Shareholders may, however, request a formal statement from the share custodian of our Company or by BM&FBOVESPA's clearing house (if the shares are in its custody), to state the number, type and class of shares held by such shareholder. Hence, Appendix 3 Requirement 2(1) is not applicable to our Company.

As regards dividends

Appendix 3 Requirement 3(1) states that any amount paid up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof in a dividend subsequently declared.

Under Brazilian law, the subscription price for shares of our Company may be paid by instalments, in accordance with the shareholders' or board resolution that approved such issuance. Brazilian law, however, requires dividends to be paid to persons appearing as shareholders in the company's register of members on the date of approval of the profit distribution, whether or not their shares have been fully paid-up. Shares that have been subscribed but not fully paid-up give their holders the same right to receive dividends as holders of shares which have been fully paid-up. It would, therefore, be inconsistent with Brazilian law for our Company to adopt the requirement of Appendix 3 Requirement 3(1).

Appendix 3 Requirement 3(2) states that where power is taken to forfeit unclaimed dividends, that power shall not be exercised until six years or more after the date of declaration of the dividend. Under the Corporations Act and the By-Laws, unclaimed dividends will be forfeited three years after the date on which such dividends were declared. The maximum period to forfeit unclaimed dividends may be extended only by the shareholders at a general shareholders' meeting convened for the purposes of approving an extension of the maximum period to forfeit particular sum(s) of unclaimed dividends. Hence, it would be inconsistent with Brazilian law for our Company to adopt Appendix 3 Requirement 3(2) in the By-laws.

As regards directors

Appendix 3 Requirement 4(1) states that subject to such exceptions as may be specified in the articles of association (or equivalent document) as the Stock Exchange may approve, a director shall not vote on any board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting.

Under the Corporations Act, our Directors and Executive Officers are required to refrain from taking part (or by any means intervening) in any resolution or action relating to any matter in which they have any conflicting interest in relation to our Company. Although there is no equivalent provision in the By-Laws, there is a similar restriction to Appendix 3 Requirement 4(1) under the Corporations Act.

Appendix 3 Requirement 4(3) states that where not otherwise provided by law, the listed issuer in general meeting shall have power by ordinary resolution to remove any director (including a managing or other executive director, but without prejudice to any claim for damages under any contract) before the expiration of his period of office.

Holders of the Common Shares (but not holders of the Preferred Shares) have the right to appoint and remove Directors generally, but the Corporations Act provides non-controlling holders of Preferred Shares and Common Shares of a specified percentage shareholding as well as employees, each as a group, the right to appoint and remove one Director. Please refer to the section headed ''Management" in Appendix V to this Listing Document for a more detailed description of the rights of our Shareholders, non-controlling holders of the Common Shares and the Preferred Shares and our employees to appoint and remove Directors under the Corporations Act and the By-Laws. Pursuant to the Corporations Act and our By-Laws, only the group of Shareholders that has the right to appoint Directors has the right to remove the Directors appointed by them in general Shareholders' meetings. Hence, a general power to remove any Director by ordinary resolution will not be consistent with the requirements of Brazilian law given the share capital structure of our Company.

Appendix 3 Requirement 4(4) states that the minimum length of the period, during which notice to the listed issuer of the intention to propose a person for election as a director and during which notice to the listed issuer by such person of his willingness to be elected may be given, shall be at least 7 days. Appendix 3 Requirement 4(5) states that the period for lodgment of the notices referred to in sub-paragraph 4(4) shall commence no earlier than the day after the dispatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.

The Corporations Act does not require any minimum length of notice to be given to our Company regarding the nomination of Directors. It would, therefore, be inconsistent with Brazilian law for our Company to adopt the requirement in Appendix 3 Requirement 4(4) in the By-laws.

As regards accounts

Appendix 3 Requirement 5 states that a copy of either (i) the directors' report, accompanied by the balance sheet (including every document required by law to be annexed thereto) and profit and loss account or income and expenditure account, or (ii) the summary financial report shall, at least 21 days before the date of the general meeting, be delivered or sent by post to the registered address of every member.

We are currently not required under the Corporations Act or the rules or regulations of CVM, BM&FBOVESPA, SEC, NYSE or other stock exchanges on which our Shares or ADRs are listed and/or traded to deliver printed copies of our financial statements, annual reports or quarterly reports to our Shareholders, whether by post or otherwise. Pursuant to the CVM Rules, we publish our annual financial statements (together with the management report, the auditors' report and the opinion of

the Fiscal Council) prepared in accordance with Brazilian GAAP on the websites of CVM and BM&FBOVESPA at least one month before the annual general meeting, which is earlier than the deadline by which annual accounts are required to be published under Appendix 3 to the Listing Rules. We also publish the annual financial statements prepared in accordance with US GAAP at the same time.

As regards rights

Appendix 3 Requirement 6(2) states that the quorum for a separate class meeting (other than an adjourned meeting) to consider a variation of the rights of any class of shares shall be the holders of at least one-third of the issued shares of that class.

Under the Corporations Act, any variation of the rights attached to the preferred shares of a company would require approval of shareholders holding more than 50% of the voting share capital. Such change would necessarily involve an amendment to the company's by-laws. A general meeting at which a variation in the rights attached to the preferred shares and a consequential amendment to the by-laws is to be approved, requires the attendance of shareholders holding at least two-thirds of the total voting shares on first call. If the necessary quorum is not present, the meeting will not be convened and may be reconvened within at least eight days' prior notice. On second call, the shareholders' meeting may be regularly convened with the presence of any number of shareholders. A preferred shares class meeting is only required for variation of a class right if such variation is detrimental to the interests of the holders of such class of preferred shares. As the quorum requirement for a company whose shares are publicly traded is prescribed by the Corporations Act, the adoption of Appendix 3 Requirement 6(2) would be inconsistent with such requirement.

As regards redeemable shares

Appendix 3 Requirement 8 states that where the listed issuer has the power to purchase for redemption any redeemable share: (1) purchases not made through the market or by tender shall be limited to a maximum price; and (2) if purchases are by tender, tenders shall be available to all shareholders alike.

We do not currently have any outstanding redeemable shares. In the event that we issue redeemable shares, the Corporations Act requires that the basis and formula for determining the repurchase or redemption price to be stated in the By-Laws or in the minutes of the shareholders' meeting approving the issue of such shares. This requirement under the Corporations Act effectively ensures that Appendix 3 Requirement 8(1) will be met.

In the event that we issue redeemable shares with power to purchase for redemption, the Corporations Act allows us to determine whether we will redeem shares from all Shareholders of a given type or class of shares or from only a portion of Shareholders, and if we decide to redeem shares from only a portion of such Shareholders, the selection will be made by means of a raffle. It would be inconsistent with Brazilian law for us to adopt Appendix 3 Requirement 8(2).

As regards non-voting or restricted voting shares

Appendix 3 Requirement 10(2) states that where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting".

Under the Corporations Act, a Brazilian publicly traded corporation may not issue different classes of unrestricted voting shares. It may however, issue different classes of preferred, restricted or non-voting shares. The rights of all such preferred shares must be clearly and specifically stated in the company's by-laws, but there is no requirement for each class of shares to include the words "restricted voting" or "limited voting".

Neither the Corporations Act nor the By-Laws contain any requirement similar to Appendix 3 Requirement 10(2). While the Corporations Act does not specifically prohibit the description of shares as "restricted voting" or "limited voting" in the By-laws, it is not, as far as we are aware, a practice commonly adopted by Brazilian companies. We consider that the current designation of our Shares already provides a sufficiently clear distinction.

As regards proxies

Appendix 3 Requirement 11(2) states that a corporation may execute a form of proxy under the hand of a duly authorised officer.

The Corporations Act provides that where a shareholder of a company is a corporation, the duly authorised officer(s) of the corporation shall have the power to execute any document appointing a proxy to act on behalf of the shareholder. Although there is no equivalent provision in the By-Laws, the Corporations Act does contain a requirement similar to Appendix 3 Requirement 11(2).

As regards disclosure of interests

Appendix 3 Requirement 12 states that no powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the company.

There is no requirement under the Corporations Act or the By-laws for a Shareholder to disclose his interests in our Shares to us. Hence, there is no provision under Brazilian law or the By-laws relating to the power to freeze or otherwise impair any of the rights attaching to any Share by reason only that any person who is interested directly or indirectly in our Shares has failed to disclose his interest to us.

The CVM Rules, however, require Shareholders having 5% or more interests in any Securities of our Company to disclose their interests. Under the By-laws, failure by any Shareholder to disclose his interests pursuant to the CVM Rules would, however, not result in any suspension or restriction of the rights of such Shareholder.

As regards voting

Appendix 3 Requirement 14 states that where any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted from voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

A shareholder of our Company is required under the Corporations Act to abstain from voting only under certain specific circumstances set forth in the Corporations Act (see Appendix V to this Listing Document). If a Shareholder is proved to be in conflict of interest with our Company under any other circumstance with respect to a resolution, and the resolution would not have been approved but for the affirmative vote of such Shareholder, Brazilian courts have the authority to annul such resolution upon being challenged by any interested party. CVM also has the authority to review any transaction entered into between shareholders and a listed company to determine whether such transaction has been entered into in breach of the conflict of interests provisions which prevent voting by any interested shareholder (and to impose sanctions on any wrongdoer(s)).

Model Code for Securities Transactions by Directors

The Model Code for Securities Transactions by Directors in Appendix 10 to the Listing Rules sets out certain provisions which a director of a listed issuer must comply with when dealing in its securities, and certain disclosure obligations on the listed issuer.

Our Board of Directors has approved and adopted a Securities Trading Policy (the **Securities Trading Policy**) and any violation of the policy would constitute a violation of our Code of Ethics, which would result in the imposition of penalties. Our current Securities Trading Policy applies to all dealings in the securities of our Company (including in the form of ADRs or, upon completion of the Introduction, HDRs) by "Affected Persons", which is defined to include all Directors, all members of the Fiscal Council, all members of our Company's advisory committees, all the Executive Officers, departmental officers, general managers, managers, supervisors and other employees of our Company who are privy to privileged information as a result of their position or function in our Company or its controlled companies, as well as the representatives of the shareholders of Valepar and the directors of Valepar.

Interpretation of Appendix 10

We have applied for, and the Stock Exchange has granted, a waiver from adopting the definition of "dealing" as set out in paragraph 7(a) of Appendix 10, on the basis that we will continue to follow the definition of "trading" in the CVM Rules, which is defined to mean an acquisition, disposal or transfer of any of the securities of a company.

Rule A3(a)(i) of Appendix 10

Rule A3(a)(i) of Appendix 10 provides that a director must not deal in any securities of the listed issuer on any day on which its financial results are published and during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results.

Under our current Securities Trading Policy, the black-out period during which Affected Persons must not trade in the securities of our Company is 15 days prior to the disclosure or publication of the quarterly or annual financial statements of our Company and 2 days after such disclosure or publication. We will, after the listing of our HDRs in Hong Kong, extend such black-out period from 15 to 30 days prior to the disclosure or publication of the quarterly or annual financial statements of our Company and 2 days after such disclosure or publication, such that we will comply with the requirement under Rule A3(a)(ii) of Appendix 10 in respect of the black-out period before the publication of our quarterly results.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement to extend the black-out period applicable to the publication of our annual financial statements under our current Securities Trading Policy to 60 days.

Rule A6 of Appendix 10

Rule A6 of Appendix 10 provides that the restrictions on dealings by a director contained therein will be regarded as equally applicable to any dealings by the director's spouse or by or on behalf of any minor child (natural or adopted) and any other dealings in which for the purposes of Part XV of the SFO, he is or is to be treated as interested, and it is the duty of the director, therefore, to seek to avoid any such dealing at a time when he himself is not free to deal.

Under our Securities Trading Policy, the trading restrictions apply in all cases where any Affected Person (including any Director of our Company) engages in trading for his direct and/or indirect benefit through, for example:

(a) companies in which he has direct or indirect control;

(b) parties with whom he enters into a management agreement, trust agreement or asset management agreement;

(c) his attorneys-in-fact or agents; or

(d) his spouse from whom he is not legally separated, unmarried partner and dependants,

but the restrictions do not apply to trading carried out through investment funds in which the Affected Person is a shareholder, provided that: (1) the investment funds are open, non-exclusive funds; and (2) the trading decisions of the investment fund manager are not influenced by the fund's shareholders.

Although the trading restrictions under our Securities Trading Policy do not extend to dealings other than those by a Director's spouse or by or on behalf of any minor child (natural or adopted) in which, for the purposes of Part XV of the SFO, a Director is or is to be treated as interested, we consider that the policy already provides sufficient safeguard against the use of unpublished price sensitive information by any Director in securities trading conducted indirectly through any person or entity whose trading decisions he may be able to influence.

In addition, the SFC has granted the partial exemption to our Company from the requirements under Part XV of the SFO for our Shareholders, Directors and Executive Officers to notify their interests in our securities and for our Company to prepare registers and maintain records, other than Divisions 5, 11 and 12. Based on the partial exemption granted by the SFC, our Directors do not have to be concerned, for disclosure purposes, about the interests in our Company's securities held by any person or entity in which they are deemed to be interested under Part XV of the SFO.

On such basis, our Directors should not be required to seek to avoid any dealing by any such person or entity, as required by Rule A6 of Appendix 10. We have therefore applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement under Rule A6 of Appendix 10 with respect to any dealings (other than any dealings by the Director's spouse or by or on behalf of any minor child (natural or adopted)) in which for the purposes of Part XV of the SFO, a Director is or is to be treated as interested, except (a) any dealings by a corporation which it or its directors are accustomed or obliged to act in accordance with the directions or instructions of such Director; and (b) any dealings by a person or entity of which such Director may be able to influence his or its trading decisions.

Rule B of Appendix 10

Rule B of Appendix 10 sets out the notification procedures which a director of a listed issuer must comply with before dealing in any securities of the listed issuer. We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements under Rule B of Appendix 10.

Currently, our Directors, Executive Officers and members of the Fiscal Council are not required to give prior notice to our Company (or seek prior consent) of any dealing in securities of our Company. However, pursuant to the Securities Trading Policy, when there is unpublished price sensitive information, the investor relations officer will notify all Directors, Executive Officers and members of the senior management by e-mail that they are prohibited from dealing in our Company's securities pending the release of such price sensitive information.

In addition, Directors, Executive Officers and members of the Fiscal Council are required to notify our Company within five days after undertaking any trading in our Securities (see definition in Appendix V to this Listing Document). They are also required to disclose to our Company, on a monthly basis, the interests and short positions in any Securities of our Company held by them and their respective Relevant Persons. Interests and short positions in derivatives and other securities the underlying assets of which comprise Securities of our Company are also required to be disclosed.

On the basis of the arrangements described above, and taking into account that our Directors, Executive Officers and members of the Fiscal Council are subject to insider trading restrictions under Brazilian and U.S. law and will be subject to similar restrictions under Hong Kong law upon listing of the HDRs on the Stock Exchange, we consider that there is a similar level of shareholders' protection notwithstanding that there is no requirement for a Director, Executive Officer or member of the Fiscal Council to notify our Company prior to any dealing in our Securities.

Rule D15 of Appendix 10

Rule D15(a) of Appendix 10 requires a listed issuer to disclose in its interim and annual reports whether it has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in Appendix 10. We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with such requirement on the basis that we will, instead of disclosing in our interim and annual reports, disclose in the overseas regulatory announcement to be published on the Stock Exchange's website when we publish the annual report on Form 20-F and the second quarter report that we have adopted the Securities Trading Policy on terms no less exacting than the required standard set out in Appendix 10 as modified by the waivers granted to us by the Stock Exchange.

Rule D15(b) and (c) of Appendix 10 further require a listed issuer to disclose in its interim and annual reports whether, having made specific enquiry of all directors, the directors have complied with the required standard set out in Appendix 10 and its code of conduct regarding securities transactions by directors, and in the event of any non-compliance with the required standard set out in Appendix 10, details of such non-compliance and an explanation of the remedial steps taken to address such non-compliance.

Each Director, Executive Officer and member of the Fiscal Council is required to disclose to our Company on a monthly basis, among other things, the interests and short positions in the Securities of our Company held by him and his Relevant Persons by way of the filing of an individual form to our Company. Our Company is required to forward the individual forms to CVM on a confidential basis.

If CVM becomes aware of any change in the interests and short positions in the Securities of our Company held by any Director, Executive Officer or member of the Fiscal Council which has occurred during any black-out period, it has the power to initiate investigation into the matter and to impose sanctions on any wrongdoer. CVM may request information from our Company, the Director, Executive Officer or member of the Fiscal Council involved or any third party concerned on a confidential basis. Our Company is not required to disclose to the market that any such investigation is being conducted unless CVM requests it to do so.

To avoid prejudicing any possible investigation carried out by CVM of any violation of the dealing restrictions during a black-out period by any Director, Executive Officer or member of the Fiscal Council, we have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirements to make the disclosure as required under Rule D15(b) and (c) of Appendix 10.

Content requirements of annual reports, interim reports, preliminary announcements of full-year results and preliminary announcements of interim results

Appendix 16 to the Listing Rules sets out the minimum financial information that a listed issuer shall include in, among others, its annual reports, interim reports, preliminary announcements of full-year results and preliminary announcements of interim results. Rule 19.44 of the Listing Rules provides that the Stock Exchange will be prepared to agree to such modification to Appendix 16 as it considers appropriate in a particular case in the context of a secondary listing.

We are currently required to publish, among others, (a) our annual financial statements prepared in accordance with US GAAP and audited in accordance with the standards of the Public Company Accounting Oversight Board (United States); (b) our annual report on Form 20-F; and (c) our quarterly report for the second quarter of a financial year prepared in accordance with US GAAP.

We consider that it would be unduly onerous if we were to include information required under Appendix 16 to the Listing Rules in our annual and second quarter reports which we are not required to include in our annual and second quarter financial statements under US GAAP. We have therefore

applied for, and the Stock Exchange has granted, a waiver from strict compliance with certain content requirements in Appendix 16 for annual reports and interim reports.

The following items are those that if we had not obtained the waiver referred to above, would have to be included in an annual report under Appendix 16 but which is not required to be included in our annual reports on Form 20-F:

(a) information on debtors, including credit policy and ageing analysis of accounts receivable in the balance sheet;

(b) ageing analysis of accounts payable in the balance sheet;

(c) interests and short positions of each Director and Executive Officer in the Shares, underlying Shares and debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO);

(d) interests and short positions of every person, other than a Director or Executive Officer, in the Shares and underlying Shares of our Company as recorded in the register required to be kept under section 336 of the SFO;

(e) the unexpired term of any service contract, which is not determinable by the employer within one year without payment of compensation of any Director proposed for re-election;

(f) particulars of any arrangement under which a Shareholder has waived or agreed to waive any dividends;

(g) explanation of any material difference between the net income shown in the financial statements and any profit forecast published by our Company;

(h) details of Director's and past Director's emoluments on a named basis;

(i) particulars of any arrangement under which a Director has waived or agreed to waive any emoluments;

(j) information in respect of the five highest paid individuals during the financial year;

(k) disclosures required under the Tenth Schedule, section 128 (details of subsidiaries), 129 (details of investments), 129A (details of ultimate holding company), 129D (contents of the directors' report), 161 (directors' remuneration), 161A (corresponding figures), 161B (loans to company officers), 162 (directors' interests in contracts) and 162A (management contracts);

(l) information in respect of our major customers and its major suppliers;

(m) management discussion and analysis on (i) funding and treasury policies and objectives; (ii) the state of the Group's order book and prospects for new business; (iii) significant investments held, their performance during the financial year and their future prospects; (iv) comments on segmental information; (v) details of future plans for material investments or capital assets and their expected sources of funding in the coming year; and (vi) gearing ratio; and

(n) the corporate governance report as in Appendix 23 to the Listing Rules.

The following items are those that if we had not obtained the waiver referred to above, would have to be included in an interim report under Appendix 16 but which is not required to be included in our second quarter report prepared in accordance with US GAAP:

(a) management discussion and analysis of the Group's performance in the first six months of a financial year;

(b) details of interests in the equity or debt securities of our Company or any associated corporation at the end of the first six months of a financial year for each Director and Executive Officer and every person, other than a Director or Executive Officer, in the Shares and underlying Shares of our Company as recorded in the register required to be kept under section 336 of the SFO; and

(c) confirmation whether our Company meets the code provisions set out in Appendix 14 to the Listing Rules during the first six months of the financial year.

We will make the following alternative disclosures:

(i) with respect to the requirement to include a corporate governance report in our annual report and a statement in our second quarter report as to whether we meet the code provisions set out in Appendix 14 to the Listing Rules, we will, if we deviate from any code provision set out in Appendix 14 in any financial year or the first six months of any financial year after the listing of our HDRs on the Stock Exchange (other than any deviations already disclosed in this Listing Document), disclose and explain such deviation in the overseas regulatory announcement to be published on the Stock Exchange's website containing our annual report on Form 20-F or our second quarter report; and

(ii) we will include a management discussion and analysis of the Group's performance in the first six months of the financial year in our second quarter report, which will include the information required under paragraph 32 of Appendix 16 to the Listing Rules, other than (1) funding and treasury policies and objectives; (2) the state of the Group's order book and prospects for new business; (3) significant investments held, their performance during the period and their future prospectus; (4) comments on segmental information; (5) details of future plans for material investments or capital assets and their expected sources of funding in the coming period; and (6) gearing ratio.

To comply with the requirement under Rule 13.49 the Listing Rules to publish preliminary announcements of annual results and interim results, we will publish on the Stock Exchange's website our annual financial statements and quarterly financial statements for the second quarter of a financial year prepared in accordance with US GAAP. We will not separately publish preliminary announcements of those results.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement in Appendix 16 to disclose whether we meet the code provisions set out in Appendix 14 to the Listing Rules and any deviations therefrom together with the reasons for such deviations in our annual financial statements and quarterly financial statements for the second quarter of a financial year prepared in accordance with US GAAP, on the basis that we consider the information contained in those financial statements of our Company is sufficient for our Shareholders and investors to evaluate the financial performance of the Group during the relevant financial year or period, and are therefore able to serve the purpose of preliminary results announcements.

Spin-off listings

Practice Note 15 of the Listing Rules sets out the principles which the Stock Exchange applies when considering proposals submitted by a listed issuer to effect a separate listing of any of its subsidiaries.

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with the provisions of Practice Note 15 with respect to any spin-off listings of any of our subsidiaries on

any stock exchange other than the Stock Exchange that we may decide to undertake from time to time, on the basis that we will:

(a) observe the principle set out in paragraph 3(c) that after the spin-off listing, our Company would retain a sufficient level of operations and sufficient assets to support our Company's separate listing status;

(b) observe the principles set out in paragraph 3(d)(i) to (iv) relating to clear delineation of business between our Company and the spun-off entity, ability of the spun-off entity to function independently of our Company, clear commercial benefits to both our Company and the spun-off entity in the spin-off, and no adverse impact on the interests of our Shareholders resulting from the spin-off; and

(c) in the announcement to be issued by our Company pursuant to Rule 13.09(1) disclosing the spin-off proposal, (i) confirm that our Company would retain a sufficient level of operations and sufficient assets to support the separate listing status; and (ii) explain how our Company is able to meet the principles set out in paragraph 3(d)(i) to (iv).

In the event that we decide to proceed with the spin-off listing of any of our subsidiaries on the Stock Exchange, we will comply with the requirements of Practice Note 15 (other than paragraph 3(e) regarding shareholders' approval which will not be applicable to us on the basis of the waivers granted to us from compliance with Chapter 14 and 14A of the Listing Rules).

Other continuing obligations

Rule 13.11 to 13.22

Rules 13.11 to 13.22 of the Listing Rules require disclosure of information in relation to specified matters relevant to our Company's business, including in relation to advances to an entity, financial assistance and guarantees to affiliated companies of an issuer, pledging of shares by the controlling shareholder, loan agreements with covenants relating to specific performance of the controlling shareholder, and breach of loan agreement by an issuer. We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 13.11 to 13.22. We will, where applicable, publish notice of Material Fact on the Stock Exchange's website pursuant to Rule 13.09(1) of the Listing Rules at the same time as, or if not practicable due to the closure of the electronic document submission system of the Stock Exchange outside operational hours, as soon as practicable after, such notice is published on the websites of CVM, BM&FBOVESPA and/or SEC. Where we release any price sensitive information (including a Material Fact) to BM&FBOVESPA, NYSE or NYSE Euronext Paris during the trading hours of the Stock Exchange, we will request a temporary suspension of trading in the HDRs on the Stock Exchange and as soon as practicable after the information has been released to BM&FBOVESPA, NYSE or NYSE Euronext Paris, inform the Stock Exchange and arrange for the release of such information to the market in Hong Kong in the next available window for submission of documents to the Stock Exchange and the resumption of trading in the HDRs on the Stock Exchange.

Rule 13.25A and 13.31(1)

Rule 13.25A of the Listing Rules requires a listed issuer to file a next day disclosure return with the Stock Exchange whenever there is a change in its issued share capital as a result of or in connection with a placing, consideration issue, open offer, rights issue, bonus issue, scrip dividend, repurchase of shares or other securities, exercise of an option, capital reorganisation or any other change in share capital. Rule 13.31(1) of the Listing Rules requires a listed issuer to inform the Stock Exchange as soon as possible after any purchase, sale, drawing or redemption by the issuer, or any member of the group, of its listed securities. We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 13.25A of the Listing Rules to the extent that we are required to file a next day disclosure return in the case of any repurchase of shares or other

securities and Rule 13.31(1) of the Listing Rules in its entirety. We will otherwise comply with the requirement under Rule 13.25A to submit a next day disclosure return whenever there is a change in our issued share capital as a result of or in connection with the other events set out in Rule 13.25A.

Rule 13.25B

Rule 13.25B of the Listing Rules requires a listed issuer to publish a monthly return in relation to movements in its equity securities, debt securities and any other securitised instruments, as applicable, during the period to which the monthly return relates. We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 13.25B of the Listing Rules to the extent that we are required to include information on repurchase of shares in the monthly return.

Rule 13.36 and 13.57

Rule 13.36 of the Listing Rules provides that the directors of a listed issuer shall obtain the consent of the shareholders in general meeting prior to any allotment, issue or grant of shares, unless pursuant to a general mandate granted by the shareholders to issue shares not exceeding the aggregate of 20% of the existing issued share capital of the listed issuer. Rule 13.57 of the Listing Rules provides that where an increase in authorised capital is proposed, the directors must state in the explanatory circular whether they have any present intention of issuing any part of that capital. We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rules 13.36 and 13.57 of the Listing Rules. We will issue new Shares in accordance with the requirements of Brazilian law as described in further detail in Appendix V to this Listing Document.

Rule 13.38

Rule 13.38 of the Listing Rules requires a listed issuer to send a proxy form with the notice convening a general shareholders' meeting to all persons entitled to vote at the meeting. We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 13.38 of the Listing Rules on the basis that (a) we are not currently required under the Corporations Act or by any of CVM, BM&FBOVESPA, NYSE, SEC or any other stock exchange on which our Shares or ADRs are listed or traded to send or make available proxy forms to our Shareholders in relation to any general Shareholders' meeting; and (b) voting instructions on each resolution to be approved at a general Shareholders' meeting will be obtained by the HDR Depositary from the registered holders and beneficial holders of the HDRs in accordance with the procedures described in the section of this Listing Document headed 'Listings, Terms of Depositary Receipts and Depositary Agreements, registration, dealings and settlement'.

Rule 13.39(4) and (5)

We have applied for, and the Stock Exchange has granted, a waiver from strict compliance with (a) Rule 13.39(4) of the Listing Rules to the extent that any vote of shareholders at a general meeting must be taken by poll; and (b) Rule 13.39(5) of the Listing Rules to the extent that (i) the announcement of the results of the general meeting must state the total number of shares entitling the holders to attend and vote for or against the resolution at the meeting, the total number of shares entitling the holder to attend and vote only against the resolution at the meeting, the number of shares represented by votes for and against the relevant resolutions; and (ii) a scrutineer for the vote-taking must be appointed and its identity must be stated in the announcement of the results of the general meeting.

Under the Corporations Act, the conduct of a general shareholders' meeting is attributed to the chairman of the meeting, who will, in general, decide how voting on a particular resolution to be considered at the meeting will be counted. Although voting in our Shareholders' meetings is conducted by a show of hands, votes are counted on the basis of one vote for each voting share held

by each of our Shareholders attending and voting at the meeting. Vote-taking at our Shareholders' meetings is usually undertaken by the secretary of the meeting, and the chairman of the meeting has the duty to ensure that votes are properly and accurately taken. We are required to publish, on the same day after the end of each general shareholders' meeting (a) a brief summary of the resolutions passed in the meeting; or (b) the minutes of the meeting (including, among others, the resolutions passed) on the websites of CVM, BM&FBOVESPA, and consequently, we are required to furnish such information to the SEC on a Form 6-K. There is no requirement under Brazilian law or any other rules or regulations for our Company to disclose the number of votes cast for or against each resolution, nor is it common practice in Brazil for listed companies to provide such information.

Rule 13.46(2)

Rule 13.46(2) of the Listing Rules provides that an overseas issuer shall send to every member of the issuer and every other holder of its listed securities a copy of either its annual report including its annual accounts or its summary financial report, not less than 21 days before the date of the issuer's annual general meeting and in any event not more than four months after the end of the financial year to which they relate. Our annual report on Form 20-F will not be published before the annual general meeting of our Company. We have therefore applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 13.46(2) of the Listing Rules to the extent that the annual report is required to be issued not less than 21 days before the date of the annual general meeting, on the basis that we will issue our annual financial statements prepared in accordance with US GAAP (to be included in the Form 20-F) in both English and Chinese and our annual financial statements prepared in accordance with Brazilian GAAP not less than one month before the annual general meeting of our Company, and the annual financial statements prepared in accordance with Brazilian GAAP will be approved by our Shareholders at the annual general meeting.

Rules 13.51(2), 13.51B(1) and (2), and 13.74

Rules 13.51(2), 13.51B(1) and (2), and 13.74 of the Listing Rules set out certain disclosure requirements in respect of any change in a listed issuer's directors, including appointment, re-designation and resignation of directors.

We have applied for, and the Stock Exchange has granted, waivers from strict compliance with the following requirements: (a) the requirements to include in the announcement of appointment of any Director the details specified under Rule 13.51(2)(c)(i), (e), (f), (g), (h) to (x) of the Listing Rules and the requirements to include those details of any Director proposed to be re-elected or proposed new Director in the notice of the general meeting at which such re-election or appointment is to be approved or the relevant management proposal; (b) the requirement to set out any change in certain information on any Director specified in Rule 13.51(2)(a) to (e) and (g) during the course of his term of office in our next published annual or interim report pursuant to Rule 13.51B(1); (c) the requirement to inform the Stock Exchange and publish an announcement as soon as practicable setting out any change in the information on any Director specified in Rule 13.51(2)(h) to (v) during the course of his term of office pursuant to Rule 13.51B(2); and (d) the requirement to inform the Stock Exchange immediately upon the resignation of any Director taking effect and publish an announcement on the Stock Exchange's website as soon as practicable disclosing reasons for his resignation, on condition that we will inform the Stock Exchange and publish an announcement as soon as practicable but in any event not later than seven business days after the resignation takes effect.

Rule 13.68

Rule 13.68 of the Listing Rules provides that a listed issuer shall obtain the prior approval of its shareholders (at which the relevant director and his associates shall not vote on the matter) for any service contract to be granted by the listed issuer or any of its subsidiaries to any director or proposed director which (a) is for a duration that may exceed three years; or (b) in order to entitle

the listed issuer to terminate the contract, expressly requires it to give a period of notice of more than one year or to pay compensation or make other payments equivalent to more than one year's emoluments. We do not generally enter into appointment contracts with our Directors and the By-laws do not provide for any appointment contracts with our Directors to be approved by our Shareholders. However, there is a requirement under the Corporations Act for the aggregate amount of the compensation payable to our Directors, Executive Officers and our technical and advisory committees in each financial year to be subject to the approval of our Shareholders. Any compensation payable to a Director for termination in any financial year can only be made out of the aggregate amount of compensation that was so approved at the immediately preceding annual Shareholders' meeting. In addition, the rules on conflict of interests, set out in further detail in Appendix V to this Listing Document, will apply where any appointment contracts with our Directors are to be approved by the Board of Directors. On such basis, we have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 13.68 of the Listing Rules.

Rule 13.70

Rule 13.70 of the Listing Rules provides that a listed issuer shall publish an announcement or issue a supplementary circular upon receipt of a notice from a shareholder to propose a person for election as a director at the general meeting where such notice is received by the listed issuer after publication of the notice of meeting. Pursuant to the Corporations Act and our By-laws, the non-controlling holders of our Common Shares and Preferred Shares are entitled to appoint Directors. There is no requirement for any advance notice to be given if those Shareholders propose to exercise such right. Those Shareholders may propose a person for election as a Director at any time before the relevant Shareholders' meeting or even at the meeting. It is therefore not possible for our Company to comply with Rule 13.70 to publish an announcement or issue a supplementary management proposal upon receipt of a notice from any of the non-controlling holders of our Common Shares or Preferred Shares to propose a person for election as a Director, or to adjourn the Shareholders' meeting to give our Shareholders at least 10 business days to consider the relevant information. On such basis, we have applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 13.70 of the Listing Rules.

PARTIAL EXEMPTION FROM THE DISCLOSURE OF INTERESTS REQUIREMENTS UNDER THE SFO

Part XV of the SFO imposes obligations on shareholders, directors and chief executives of a listed company to notify their interests in the listed company and for the listed company to prepare registers and maintain records. We are currently required under the CVM Rules to publish, on a monthly basis, a consolidated form which sets out the aggregate interests and short positions in our Securities held by all our Directors, Executive Officers and members of the Fiscal Council and their respective Relevant Persons. We are also required to disclose the interest and short position in our Securities of any Shareholder who holds an interest or short position of 5% or more in our Securities and any further acquisition or disposal by such Shareholder of an interest or short position in 5% or more in our Securities.

We have applied for, and the SFC has granted, a partial exemption under section 309(2) from the provisions of Part XV of the SFO (other than Divisions 5, 11 and 12) for our Shareholders, Directors and Executive Officers to notify their interests in our securities and for us to prepare registers and maintain records, on condition that:

(a) we will file with the Stock Exchange all disclosures of interests made public in Brazil and the United States as soon as practicable on the basis that the Stock Exchange will publish these disclosures in the same way as those it receives from other listed corporations pursuant to Part XV of the SFO;

(b) we will report to the SFC, within 10 business days after the end of each calendar month, what percentage of that month's average daily worldwide share turnover took place on

the Stock Exchange, until such time when the SFC advises us otherwise in writing and in any case for no less than 12 months from the date of listing; and

(c) we will advise the SFC if there is any material change in any of the information which we have given to the SFC, including any significant change to the disclosure requirements in Brazil or in the United States, and any exemption or waiver from the disclosure of interest requirements in Brazil or in the United States.

RULING THAT WE ARE NOT A PUBLIC COMPANY IN HONG KONG UNDER THE TAKEOVERS CODE AND THE SHARE REPURCHASES CODE

Paragraph 4.1 of the Introduction to the Takeovers Code and the Code on Share Repurchases issued by the SFC provides that those codes apply to takeovers, mergers and share repurchases affecting, among others, public companies in Hong Kong and companies with a primary listing of their equity securities in Hong Kong.

We have sought, and the SFC has granted, a ruling that we would not be regarded as a public company in Hong Kong for the purposes of the Takeovers Code and the Code on Share Repurchases.

We are currently subject to the CVM Rules and the Corporations Act of Brazil and the Exchange Act of the United States in respect of takeovers and share repurchases. Please refer to Appendix VII to this Listing Document for more details.