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CVRD concludes acquisition of Canico

Companhia Vale do Rio Doce (CVRD) announces that it has concluded the acquisition of the outstanding common shares of Canico Resource Corp. (Canico) not acquired under the take-over bid that expired on December 8, 2005, pursuant to a statutory compulsory acquisition. CVRD acquired the remaining 354,978 common shares of Canico, 0.8% of its total capital, for CAD\$20.80 in cash per Canico share. Therefore, CVRD now owns 100% of Canico.

Canico will be delisted from the Toronto Stock Exchange (TSX) effective at the close of business today.

Canico owns the Onça Puma nickel laterite project, a ferronickel deposit located in the Brazilian state of Pará. According to the feasibility study, the plant will have a nominal capacity to produce 57,000 tons of nickel per year and its development will demand investments of US\$ 1.1 billion.

CVRD is reviewing the Canico Onça Puma nickel laterite project in order to maximize the synergies with its current and future operations, and, therefore the return to its shareholders.

The acquisition of Canico and the Onça Puma project is an important step taken by CVRD to become one of the global leading players in the non-ferrous metals business in the future. At the same time, it is consistent with Company's strategic goal of continuous shareholder value creation.

More information



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