

## State Government decree allows work on Dike S4

This Wednesday, 21 September, the government of Minas Gerais published Decree NE No. 500, allowing the start-up of the work on the construction of dike S4 by Samarco, in the district of Bento Rodrigues, in Mariana. Dike S4 is part of the emergency system for retaining sediments, along with dikes S1, S2, and S3, in addition to the Axis 1 dams of Fundão and Nova Santarém. The construction will start immediately. In practice, the Government decree establishes the administrative requisition of the 55 properties impacted in the area of Bento Rodrigues, where S4 will be installed.

The Company will be accountable for the payment of all indemnification due to the owners of the properties for the use thereof.

Samarco has been seeking the approval necessary for the start of the works since February. The government decision was based on the urgent need to reinforce the sediment containment system of the Germano mining complex, considering the upcoming rainy season. The administrative requisition only affects the possession of the real estate, but does not represent an expropriation.

### Compensation and Emergency

Samarco will be liable for the other indemnification, compensation and recovery measures resulting from the building of dike S4.

After the construction of dike S4, the area which was already impacted in Bento Rodrigues will be flooded. The rock wall existing in the district will be preserved, by means of a protective covering developed by the Company. The ruins of the São Bento chapel and the cemetery will not be flooded.

The decision to build dike S4 in Bento Rodrigues was made after a thorough technical analysis and discussion. Other options were discarded mainly in view of the urgent need for the construction due to the proximity of the rainy season. Construction in any other area would require more time.

### Emergency containment system of the Germano Mining Complex:

**Dike S1** – 15 thousand m<sup>3</sup>\*

**Dike S2** – 45 thousand m<sup>3</sup>\*

**Dike S3** – 2.1 million m<sup>3</sup>\*

**Dike S4** – 1.05 million m<sup>3</sup>\* (Construction approved)

**Axis 1 Fundão** (in construction)

**Nova Santarém** (in construction)

**\*Total capacity**

**Other sediment containment measures already in execution:**

- 1) Revegetation of the banks of the rivers and tributaries of the Doce River basin.
- 2) Dredging of the sediments retained in the Candonga dam of the Risoleta Neves hydropower plant
- 3) Increase of capacity of Dike S3 to 2.9 million m<sup>3</sup>.

**Timeline**

**February/2016** – Samarco informs SISEMA of its plan to install S4. The Company start first phase of construction.

**March/2016** – Stoppage of activities due to discovery of a rock wall associated with a church in Bento Rodrigues.

**April/2016** – Presentation of MPMG of detailed information about the impacts of Dike S4.

Petition to IPHAN for intervention with rock wall.

**June/2016** – SUPRAM acknowledges that it is “fundamental” to build the dike before the rainy season.

**July/2016** – Conversations with landowners in Bento Rodrigues to authorize Samarco to enter their properties.

Suspended negotiations by recommendation of the State Public Prosecution Service

Conclusion of meetings with the Bento Rodrigues community about the importance of the construction of Dike S4

Temporary injunction authorizes beginning of drilling boreholes on Samarco property

IPHAN issues decision that Dike S4 will not impact the archeological assets nor the protected listed heritage.

**September/2016** – Decree NE nº 500 of the State Government allows start-up of work on Dike S4.

Start of construction.

Visite nossa Sala de Imprensa – [www.samarco.com/imprensa](http://www.samarco.com/imprensa)

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