Business

Vale Tailings Dam at Imminent Risk of Rupture, Authorities Say

By <u>Mariana Durao</u> 10 June 2021, 10:37 GMT+10

- Report from inspectors points to risk of liquefaction
- Company says there's no imminent risk of dam rupture



Recovery and repair crews work near a destroyed Vale SA bridge in Brumadinho, Minas Gerais state, Brazil, in Jan 2020.

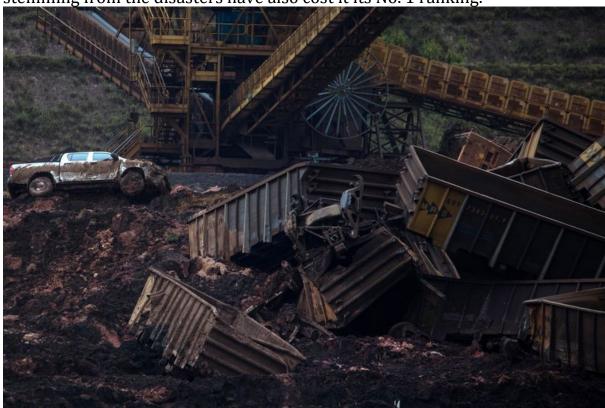
Photographer: Victor Moriyama/Bloomberg

A <u>Vale SA</u> tailings dam near the site of a deadly disaster in 2015 runs the imminent risk of rupture, according to Brazilian authorities.

There's a "serious and imminent risk of rupture due to liquefaction of the dam structure, with the potential for workers getting buried," government inspectors said in a report Wednesday.

The world's second-largest iron-ore producer has grappled with the fallout from two deadly dam collapses over the past six years, paying <u>billions</u> of dollars in a settlement over one of them in February. Production cutbacks

stemming from the disasters have also cost it its No. 1 ranking.



Shattered debris after a dam breach at the Vale SA iron ore mine in Brumadinho, Minas Gerais state, Brazil, in 2019.

Photographer: Victor Moriyama/Bloomberg

The document details why authorities restricted trains on a rail spur at Vale's Mariana Complex last Friday. Inspectors said a potential collapse could happen as the solid materials composing the dam liquefy. Reuters reported the warning earlier

Vale said there's no imminent risk of a tailings dam rupture and is maintaining dialog with officials to resume activities. The area around the dam has been evacuated.

Vale halted rail transportation to a nearby plant, affecting about 33,000 metric tons of daily output. Some points of access to the nearby Alegria mine were also closed, compromising 7,500 tons of daily output.