



**ALL – AMÉRICA LATINA  
LOGÍSTICA S.A.**  
CNPJ/MF 02.387.241/0001-60  
NIRE 41.3.00019886  
A Publicly-traded Company  
Category A

**TPI - TRIUNFO PARTICIPAÇÕES E  
INVESTIMENTOS S.A.**  
CNPJ/MF 03.014.553/0001-91  
NIRE 35.300.159.845  
A Publicly-traded Company  
Category A

**VETORIAL  
PARTICIPAÇÕES S.A.**  
CNPJ/MF 09.066.789/0001-58  
NIRE 31.300.028.356

#### MATERIAL FACT

ALL – AMÉRICA LATINA LOGÍSTICA S.A. (“ALL”) and TRIUNFO PARTICIPAÇÕES E INVESTIMENTOS S.A. (“Triunfo” and, together with ALL, the “Companies”), in compliance with the provisions of paragraph 4 of article 157 of Law 6,404/76 and CVM Instruction 358/02, hereby make public that on this date, together with the shareholders of Vetorial Participações S.A. (“Vetorial”), they signed an agreement to implement a strategic partnership (the “Partnership”) through a Brazilian corporation to be called Vetria Mineração S.A. (“Vetria”), to create an integrated mine-logistics-port system.

Vetria will operate in the exploitation, processing, transport, commercialization and export of iron ore through (i) a multi-purpose private port to be built in the city of Santos, in the state of São Paulo; (ii) a railway transportation capacity provided in accordance with the provisions of a transportation service agreement signed with ALL; and (iii) an company owned mine located in the Urucum Massif, located in the region of Corumbá, in the state of Mato Grosso do Sul. The Urucum Massif region is rich in high-quality iron ore, with an estimated average iron grade above 62%.

For that, once the conditions of the Partnership are verified:

- (a) Vetria will have an iron ore operational mine located in the city of Corumbá (state of Mato Grosso do Sul), with estimated ore resources of 1,000,000,000 (one billion) tons. The mine’s current production capacity is 1 million tons per year (“mtpa”);
- (b) Vetria will be the owner of a 1.9 km<sup>2</sup> property at the estuary of Santos (state of São Paulo), where it will be build a port complex for iron ore and byproducts; and
- (c) Vetria will invest in the modernization of the railroad, including railcars and locomotives, from Corumbá to Santos. Rolling stock will be owned by Vetria. Vetria will hire ALL to provide the rail logistic transportation, ensuring a capacity of 27.5 million tons per year, with a R\$45/ton tariff, in current currency. This tariff will include a freight discount in order to compensate for investments to be made by Vetria in ALL’s rail network.

The total and voting capital stock of Vetria will be held by its shareholders as described below. Shareholders will sign, at the end of the Partnership, certain shareholders’ agreements in order to regulate their respective rights and duties.

Shareholder	Equity Interest (%)
ALL	50.38 %
Triunfo	15.79 %
Shareholders of Vetorial	33.83%
<b>Total</b>	<b>100%</b>

Besides its equity interest in Vetria, Vetorial will also have the right to royalties of R\$2.50/ton of iron ore extracted from the mine, limited to a total of 500 million tons.

To create the mine, logistic and port integrated solution, Vetria estimates an investment of approximately R\$7.6 billion in order to:

- (i) Expand the mine capacity in 20 mtpa, as the mine is currently operational with all operating licenses already in force, the licenses for capacity expansion are still subject to approval;
- (ii) Increase the capacity of the railway with investments in permanent way infrastructure and in the acquisition of new locomotives and railcars, as the railway is operational with all licenses already in force, the licenses to expand crossing yards are still subject to approval; and
- (iii) Build a multi-purpose private port at the estuary of Santos, as the port has been previously authorized to operate solid bulk, liquid bulk and containers and the installation license allowing the operation of iron ore will be required.

The funds required for such investments will be obtained by Vetria from the financial markets and/or any strategic partners, without any guarantee or obligation of funding by the shareholders of the Partnership. One of the conditions for the effective implementation of the Partnership is the raising of such funds.

With these investments, Vetria expects to reach a volume of at least 20 million tons per year, which can be expanded by 7.5 mtpa, reaching 27.5 mtpa.

Vetria will have an independent and professional management structure, combining the know-how of its shareholders in railway logistics, port infrastructure and mining, based on their reputation, scale and market competitiveness.

The Partnership includes mechanisms to adjust the equity interest held by each shareholder in the capital of Vetria if significant changes in the conditions set forth in the agreement occur, such as investment and mining reserves.

On this date, in the context of the Partnership, ALL, Triunfo and Vetorial signed certain operating and corporate governance agreements in order to establish the conditions through which Vetria will:

- (a) Explore the iron ore mine located in the city of Corumbá, in the state of Mato Grosso do Sul, whose exclusive exploration rights are currently held by Vetorial Mineração S.A., a company that will be fully held by Vetria;
- (b) Develop, implement and operate a multi-purpose port terminal at the estuary of Santos, in the state of São Paulo, for shipping iron ore and its byproducts, which will be located in the property of 1.9 million m<sup>2</sup> called “Santa Rita”, currently controlled by Triunfo and whose capital will be transferred to Vetria. Additionally, Triunfo will contribute R\$15 million to Vetria;
- (c) Develop and implement a project for expanding and improving the transportation capacity of the railway stretch existing between the cities of Corumbá (state of Mato Grosso do Sul) and Santos (state of São Paulo), currently under ALL’s concession and leased through its subsidiaries; and
- (d) Act as an ore and byproducts logistic operator, pursuant to the railway transportation service agreement to be signed with the concessionaires controlled by ALL, which will provide Vetria with a railway transportation capacity equivalent to up to 27.5 million tons per year of iron ore and byproducts.

Vetria’s project expects to increase the Corumbá to Santos railway corridor capacity from 3 million tons per year to 35 million tons per year, of which 27.5 million tons per year will be used for the transportation of iron ore. Therefore, there will be an increase in the general cargo transportation capacity of the railway by 2.5 times, from 3 million tons per year to 7.5 million tons per year, making this railway stretch one of Brazil’s most modern railways.

The effectiveness of the Partnership will depend on compliance with certain conditions, including obtaining relevant approvals from proper governmental authorities. Vetria expects to comply with such conditions within two years. Among the conditions mentioned above, the following stand out:

- Raising the funds necessary to carry out the investments, including equity;
- Approval by the Brazil's National Defense Council ("CDN") for the transfer of shares issued by Vetorial to Vetria;
- Certification of the ore reserves ("JORC method");
- Acquiring the necessary environmental licenses from governmental authorities;
- Approval by Brazil's National Land Transport Agency ("ANTT") of the operating agreements between ALL and Vetria; and
- Obtaining authorization from Brazil's National Waterway Transport Agency ("ANTAQ") to implement and operate the port.

ALL, Triunfo and Vetorial will keep their shareholders and the public informed about any new material event regarding the Partnership.

Curitiba, December 19, 2011.

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ALL – AMÉRICA LATINA LOGÍSTICA S.A.

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