

USIMINAS and MMX, LLX, PortX signed a non-binding preliminary agreement

USINAS SIDERÚRGICAS DE MINAS GERAIS S.A. – USIMINAS

(Publicly Held Company)
CNPJ/MF 60.894.730/0001-05
NIRE 313.000.1360-0

PortX Operações Portuárias S.A.

(Publicly Held Company)
CNPJ/MF 10.846.981/0001-46
NIRE 33.3.0029023-1

MATERIAL FACT NOTICE

MMX Mineração e Metálicos S.A. (“MMX”), LLX Logística S.A. (“LLX”), PortX Operações Portuárias S.A. (“PortX”), and Usiminas Siderúrgicas de Minas Gerais S.A. - USIMINAS (“Usiminas” and together with MMX and LLX, the “Companies”), in compliance with article 157, paragraph 4th, of the Brazilian Federal Law No. 6,404/76 as amended and Instruction N° 358/02 of the Brazilian Securities Commission, as amended, hereby inform their shareholders and the market in general that:

MMX, LLX, and Mineração Usiminas S.A. (“Mineração Usiminas), a company controlled by Usiminas, signed a non-binding preliminary agreement establishing the bases for negotiation (i) between PortX Operações Portuárias S.A. (“PortX”), currently a subsidiary of LLX, and Mineração Usiminas S.A. an agreement for port operations services at its Sudeste Port (the “Port Operation Agreement”); and (ii) between MMX and Mineração Usiminas, a commercial agreement for the joint mining of the Pau de Vinho Mine (in combination with the Port Operation Agreement, the “Transaction”).

Subject to the outcome of negotiations between the parties and the approval of the Board of Directors of the Companies and of Mineração Usiminas, the Transaction consists of:

1. Port Service Agreement:

PortX will ship iron ore for Mineração Usiminas according to the following annual volumes: (i) 2012 - 3 million tons; (ii) 2013 - 4 million tons; (iii) 2014 - 8 million tons; (iv) 2015 - 12 million tons; e (v) 2016 - 12 million tons. These volumes will be subjected to a take-or-pay clause of 80% on the volumes in each year.

Mineração Usiminas will pay a mutually agreed tariff per ton of ore loaded by PortX, which will be escalated by the US-PPI.

This contract will enable Mineração Usiminas to export its iron ore from 2012 on.

2. Pau de Vinho mine Joint Mining Agreement:

Mineração Usiminas and MMX will develop the joint mining of the Pau de Vinho resource, whose mining rights belong to Mineração Usiminas. MMX will undertake the required capital expenditure and the production from Pau de Vinho, in tons, will be calculated quarterly and divided in the proportion of 86.5% for MMX and 13.5% for Mineração Usiminas.

The Pau de Vinho resource is located adjacent to MMX’s Serra Azul operations. Based on evaluations by Usiminas, Pau de Vinho has enough resources to sustain a level of production of 8 million tons a year.

MMX expects to extract significant value from synergies by mining Pau de Vinho jointly with its adjacent Serra Azul mines.

Further information may be obtained upon request to the following email addresses: ri@mmx.com.br, ri@llx.com.br or investidores@usiminas.com.

Rio de Janeiro/Belo Horizonte, November 16th, 2010.

Roger Downey
Chief Executive and
Investor Relations Officer
MMX Mineração e Metálicos S.A.

Otávio de Garcia Lazcano
Chief Executive and
Investor Relations Officer
LLX Logística S.A.
PortX Operações Portuárias S.A.

Ronald Seckelmann
Vice-President of Finance and
Investor Relations Officer
USIMINAS