

Vedanta Resources plc Commences Cash Tender Offers for Any and All of its US\$ 750,000,000 9.50% Bonds due 2018 and US\$ 1,200,000,000 6.00% Bonds due 2019

16 January 2017 – Vedanta Resources plc (the “Company”) (LSE: VED) today announced that it has commenced tender offers to purchase for cash (the “Tender Offers”) any and all of its outstanding US\$ 750,000,000 9.50% Bonds due 2018 (the “2018 Bonds”) and US\$ 1,200,000,000 6.00% Bonds due 2019 (the “2019 Bonds” and, together with the 2018 Bonds, the “Bonds”). The Tender Offers are being made pursuant to a Tender Offer Memorandum, dated 16 January 2017 (the “Tender Offer Memorandum”).

The Tender Offers will expire at 8:00 a.m., New York time, on 24 January 2017, unless extended or earlier terminated as described in the Tender Offer Memorandum (such time and date, as they may be extended, the “Expiration Time”).

Holders of Bonds who validly tender (and do not validly withdraw) their Bonds at or prior to the Expiration Time, or who deliver to the tender agent a properly completed and duly executed Notice of Guaranteed Delivery in accordance with the instructions described in the Tender Offer Memorandum prior to the Expiration Time, will receive in cash, for Bonds validly tendered and accepted for purchase by the Company, US\$1,081.25 per US\$ 1,000 principal amount for the 2018 Bonds and US\$1,025.00 per US\$ 1,000 principal amount for the 2019 Bonds (with respect to each series of Bonds, the “Consideration”), plus accrued and unpaid interest to, but not including, the settlement date, which is expected to be 30 January 2017.

Vedanta’s obligation to accept and pay for the Bonds validly tendered in the Tender Offers is conditioned on, among other things, the successful offering of new senior unsecured notes (the “New Bonds”) that Vedanta is undertaking concurrently with the Tender Offers. Vedanta intends to finance the payment for the Bonds tendered pursuant to the Tender Offers with proceeds raised from the New Bonds. Accordingly, the Tender Offers are subject to the receipt by the Company of proceeds from its offering of the New Bonds on terms and conditions satisfactory to the Company, as determined in its sole discretion, generating net proceeds in an amount that is sufficient to effect the purchase of the Bonds validly tendered and accepted for purchase pursuant to the Tender Offers. The Tender Offers are subject to the satisfaction or waiver of a number of other conditions as set forth in the Tender Offer Memorandum.

The following table shows the Bonds included in the Tender Offers as well as the principal amount outstanding and the Consideration with respect to each series of Bonds:

Title of Security	CUSIP Number/ISIN	Principal Amount Outstanding	Consideration
9.50% Bonds due 2018	CUSIP: G9328DAD2, ISIN: USG9328DAD24 (Regulation S)	US\$ 750,000,000	US\$1,081.25 per US\$ 1,000 principal amount
	CUSIP: 92241TAD4, ISIN: US92241TAD46 (Rule 144A)		

6.00% Bonds due 2019	CUSIP: G9328D AH3, ISIN: USG9328DAH38 (Regulation S)	US\$ 1,200,000,000	US\$1,025.00 per US\$ 1,000 principal amount
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CUSIP: 92241T AH5, ISIN:
US92241TAH59 (Rule 144A)

Tendered Bonds may be withdrawn at any time at or prior to the Expiration Time so long as they are validly withdrawn in accordance with the procedures set forth in the Tender Offer Memorandum. The Tender Offer for the 2018 Bonds is independent of and not conditioned upon the Tender Offer for the 2019 Bonds, meaning that the Company may, subject to applicable law, extend, re-open, amend and/or terminate the Tender Offer with respect to the 2018 Bonds without affecting the Tender Offer for the 2019 Bonds, and vice versa. Furthermore, the Company may, subject to applicable law, choose to reject or accept tenders, in whole or in part, with respect to the 2018 Bonds without rejecting or accepting, in whole or in part, tenders with respect to the 2019 Bonds, and vice versa.

The Company has engaged Barclays Bank PLC, Citigroup Global Markets Limited, J.P. Morgan Securities plc and Standard Chartered Bank (the “Joint Dealer Managers”) to serve as dealer managers for the Tender Offers. For additional information regarding the terms of the Tender Offers, please contact Barclays Bank PLC at London: +44 20 3134 8515, US Toll-free: +1 (800) 438 3242 & Collect U.S.: +1 (212) 528 7581; Citigroup Global Markets Limited at +44 20 7986 9000; J.P. Morgan Securities plc at +44 (0)20 7742 4000; and Standard Chartered Bank at +65 6557 8286; +442078855739; +1 212 667 0351; liability_management@sc.com).

The Company has appointed D.F. King & Co., Inc. (“D.F. King”) to serve as the information agent and tender agent for the Tender Offers. Questions regarding the Tender Offers should be directed to D.F. King at (800) 290-6427. Documents for the Tender Offers, including the Tender Offer Memorandum and Notice of Guaranteed Delivery, are available at <https://sites.dfkingltd.com/vedanta> and may also be obtained by contacting D.F. King by telephone at New York: +1 (212) 269 5552, London: +44 20 7920 9700 & Hong Kong: +852 3953 7230 or by email at vedanta@dfkingltd.com.

The Tender Offers are being made solely pursuant to, and will be governed by, the Tender Offer Memorandum. This announcement shall not constitute an offer to sell or the solicitation of an offer to buy any securities (including, without limitation, the Company’s New Bonds being offered concurrently with the Tender Offers) nor will there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

About Vedanta Resources plc:

Vedanta Resources plc (LSE: VED) is a globally diversified oil and gas, metals and mining and commercial power generation company. Vedanta Resources plc’s businesses are principally located in India with additional operations in Zambia, Australia, South Africa, Liberia and

Namibia and over 70,000 employees worldwide. To learn more about Vedanta Resources plc, please visit its website at www.vedantaresources.com.

Cautionary Statement Concerning Forward-Looking Statements:

Certain statements in this press release are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbor created thereby. Actual results may differ materially from these statements. The words “expect,” “anticipate,” “project,” “believe” and similar expressions identify forward-looking statements. Although the Company believes that the expectations reflected in its forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. In addition, estimates of future operating results are based on the Company’s current complement of businesses, which is subject to change. Statements in this press release speak only as of the date of this press release, and the Company disclaims any responsibility to update or revise such statements.

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DISCLAIMER

This announcement must be read in conjunction with the Tender Offer Memorandum. No offer or invitation to acquire or exchange any notes is being made pursuant to this announcement. This announcement and the Tender Offer Memorandum contain important information, which must be read carefully before any decision is made with respect to the Tender Offers. If any holder of Bonds is in any doubt as to the action it should take, it is recommended to seek its own legal, tax and financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Bonds are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Tender Offers. None of the Company, the Joint Dealer Managers, D.F. King, or any person who controls, or is a director, officer,

employee or agent of such persons, or any affiliate of such persons, makes any recommendation as to whether holders of Bonds should participate in the Tender Offers.

United Kingdom

The communication of this announcement, the Tender Offer Memorandum and any other documents or materials relating to the Tender Offers are not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000 (the “FSMA”). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials is exempt from the restriction on financial promotions under section 21 of the FSMA on the basis that it is only directed at and may be communicated to (i) persons who have professional experience in matters relating to investments, being investment professionals as defined in Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”); (ii) persons who fall within Article 49 of the Order (“high net worth companies, unincorporated associations etc.”); or (iii) any other persons to whom these documents and/or materials may lawfully be communicated. Any investment or investment activity to which this announcement or the Tender Offer Memorandum relate is available only to such persons or will be engaged only with such persons and other persons should not rely on it.

General

This announcement, the Tender Offer Memorandum and any related documents do not constitute an offer to buy or the solicitation of an offer to sell securities in any circumstances or jurisdictions in which such offer or solicitation is unlawful. Securities may not be offered or sold in the United States or to, or for the account or benefit of U.S. persons absent registration pursuant to the U.S. Securities Act of 1933, as amended (“Securities Act”), or an exemption from registration. Any public offering of securities to be made in the United States will be made by means of an offering memorandum that will contain detailed information about the Company and its management, as well as financial statements. If a jurisdiction requires the Tender Offers to be made by a licensed broker or dealer, and any of the Joint Dealer Managers or any of their respective affiliates is such a licensed broker or dealer in such jurisdictions, the Tender Offers shall be deemed to be made by such Joint Dealer Manager or such affiliate (as the case may be) on behalf of the Company in such jurisdiction.

In addition to the representations referred to above in respect of the United Kingdom, each holder of Bonds participating in the Tender Offers will also be deemed to give certain representations in respect of the other jurisdictions referred to above and generally as set out in “*Procedures for Tendering Bonds*” in the Tender Offer Memorandum. Any tender of Bonds for purchase pursuant to the Tender Offers from a holder of Bonds that is unable to make these representations will not be accepted. Each of the Company, the Joint Dealer Managers and D.F. King reserves the right, in its absolute discretion, to investigate, in relation to any tender of Bonds for purchase pursuant to the Tender Offers, whether any such representation given by a holder of Bonds is correct and, if such investigation is undertaken and as a result the Company determines (for any reason) that such representation is not correct, such tender of Bonds shall not be accepted.

The securities referred to herein have not been and will not be registered under the Securities Act, or any state securities laws of the United States, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state laws. The Company has no intent to register any such securities in the United States or any other jurisdiction. The New Bonds will only be offered to qualified institutional buyers under Rule 144A of the Securities Act and outside the United States under Regulation S under the Securities Act.

This announcement should not be considered as an advertisement, invitation, offer, sale or solicitation of an offer to subscribe for or purchase any securities, whether by way of private placement or to the public in India. The New Bonds will not be offered or sold, and have not been offered or sold in India by means of any offering document or other document or material relating to the Bonds, directly or indirectly, to any person or to the public in India.