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Vedanta Resources PLC
12 June 2009

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12 June 2009

Convertible Bond Offering

Vedanta Resources plc (the "Group" or the "Company") today announces the launch, through J.P. Morgan Cazenove, of an offering of US\$1 billion of Convertible Bonds due 2016 (the "Bonds").

The Company intends to use the net proceeds of the offering to support its organic growth pipeline, to increase its ownership interest in its subsidiaries and for general corporate purposes. The net proceeds will also provide the Group with additional flexibility to finance acquisitions. Priority in allocation of the Bonds will be given to existing shareholders of the Company and the major shareholder, Volcan Investments Limited, has indicated it will not participate in the transaction.

The Bonds will be issued at par by the Company's wholly-owned subsidiary Vedanta Resources Jersey Limited (the "Issuer") and will be guaranteed by the Company. The Bonds are expected to have a coupon of 4.50% to 5.50% payable semi-annually in arrear and will be convertible into fully paid ordinary shares of US\$0.10 of the Company ("Ordinary Shares"). The conversion price is expected to be set at a premium of between 35% to 45% to the volume weighted average price of the Ordinary Shares on the London Stock Exchange between launch and pricing.

The announced size of US\$1 billion may be increased by up to US\$250 million by way of an increase option granted to J.P. Morgan Securities Ltd. allowing it to subscribe for up to an additional US\$250 million of Bonds by 19 June 2009. Should the offering be increased to an amount with Ordinary Shares underlying the Bonds representing greater than 9.99% of the current issued and outstanding Ordinary Shares, then shareholder approval would be sought by the Company at the Company's 2009 Annual General Meeting to facilitate full conversion in Ordinary Shares. Until the Company receives this approval, conversions

will be partially cash settled.

Settlement is expected to be on or about 13 July 2009 (the "Settlement Date"). If not converted or previously redeemed the Bonds will be redeemed at par 7 years from the Settlement Date. Investors have the option to have the Bonds redeemed at par 5 years from the Settlement Date or otherwise for a certain period following a change of control of the Company. The Company will have the option to call the Bonds from approximately 3 years after the Settlement Date until maturity, in the event that the volume weighted average price of the Ordinary Shares exceeds 130% of the conversion price over a certain period. In addition, the Company has the right to redeem the Bonds if at any time the aggregate principal amount of the Bonds outstanding is equal to or less than 15% of the aggregate principal amount of the Bonds initially issued. It is intended that an application will be made for the Bonds to be listed on the Official List and admitted to trading on the Professional Securities Market of the London Stock Exchange.

J.P. Morgan Cazenove is acting as the sole bookrunner of the offering. J.P. Morgan Cazenove is a marketing name for the UK investment banking business of J.P. Morgan Securities Ltd.

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About Vedanta Resources plc

Vedanta Resources plc ("Vedanta") is a London listed FTSE 100 diversified metals and mining major. The Group produces aluminium, copper, zinc, lead, iron ore and commercial energy. Vedanta has operations in India, Zambia and Australia and a strong organic growth pipeline of projects. With an empowered talent pool of 29,000 employees globally, Vedanta places strong emphasis on partnering with all its stakeholders based on the core values of entrepreneurship, excellence, trust, inclusiveness and growth. For more information visit www.vedantaresources.com

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AN INVESTMENT IN THE BONDS INCLUDES A SIGNIFICANT DEGREE OF RISK. IN MAKING

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