

[Vedanta Resources plc](#) (‘Vedanta’, the ‘Company’, LSE: VED) today announced the pricing of an offering of bonds in the aggregate principal amount of US\$1.0 billion of 6.125% Bonds due 2024 (the ‘Bonds’).

Vedanta intends to use the net proceeds from this offering primarily to fund its offers to purchase for cash any and all of its outstanding US\$ 774,772,000 6.00% Bonds due 2019 (‘2019 Bonds’) and US\$ 900,000,000 8.25% Bonds due 2021 (‘2021 Bonds’), and to repay other existing indebtedness. Vedanta has received and accepted for purchase US\$522,513,000 of the 2019 Bonds and US\$229,843,000 of the 2021 Bonds.

This comprehensive refinancing plan announced earlier by the Company is leverage neutral and is funded through a mix of Bonds and term loans. The Company has received commitments from global and Indian banks for US\$840 million of term loans with final maturity of 5 years.

Upon the successful completion of the above suite of transactions, Vedanta will proactively refinance part of its 2019 and 2021 bond maturities and is expected to have no significant bank loan repayments due over the next 18 months. These transactions will extend the Company’s average debt maturity by 1.5 years and lower its average cost of borrowing.

Vedanta’s refinancing plan is one of the largest proactive managements of a liability structure undertaken in Asia Pacific, and has successfully tapped liquidity from both the bank and bond markets in Asia, Europe and North America.

Vedanta received strong investor interest for both the Bonds and the tenders. The Bond coupon of 6.125% for a 7 year maturity compares favourably to Vedanta’s previous bond offering in January 2017 of 6.375% for a 5.5 year maturity.

Anil Agarwal, Chairman of [Vedanta Resources plc](#) said, ‘The transaction is in line with our stated financial strategy to strengthen our balance sheet. We have taken a number of proactive measures over the last year to extend maturities, optimise our funding structure and as a result have created value for all stakeholders. We are pleased with the strong response these bonds have received displaying investor confidence in Vedanta’s credit story.’

The Bonds are being offered and sold in a private offering to qualified institutional buyers under Rule 144A of the Securities Act of 1933, as amended (‘Securities Act’), and outside the United States under Regulation S under the Securities Act. The offering is expected to close on 9 August 2017, subject to customary closing conditions.

Barclays, Credit Suisse, DBS Bank Ltd., First Abu Dhabi Bank, J.P. Morgan and Standard Chartered Bank (all appearing in alphabetical order) are acting as Joint Global Coordinators. Axis Bank, Barclays, Credit Suisse, DBS Bank Ltd., First Abu Dhabi Bank, ICICI Bank Limited - IFSC Banking Unit, J.P. Morgan and Standard Chartered Bank (all appearing in alphabetical order) are acting as Joint Lead Managers and Joint Bookrunners.

The Bonds are expected, on the closing date, to be rated ‘B3’ by Moody’s and ‘B+’ by S&P. Vedanta intends to list the Bonds on the Singapore Exchange Securities Trading Limited (the ‘SGX-ST’). Admission of the Bonds to the official list of the SGX-ST is not to be taken as an indication of the merits of the offering, Vedanta or the Bonds.

Stabilisation FCA/ICMA

About Vedanta Resources plc

[Vedanta Resources plc](#) is an LSE-listed, globally diversified natural resources company with interests in Zinc, Lead, Silver, Oil & Gas, Aluminium, Copper, Iron Ore, and Power. Vedanta’s world class assets located primarily in India and Africa generated US\$11.5 billion of revenue, US\$3.2 billion of EBITDA and US\$1.5 billion of free cash flow in fiscal year 2017.

Vedanta’s key strengths include its large, low cost and diversified asset base with an attractive commodity mix, market-leading positioning to capitalize on India’s growth and natural resource potential, well-invested assets driving a strong financial profile and cash flow growth, as well as a highly-experienced management team with a proven track record.

With an empowered talent pool globally, Vedanta places strong emphasis on partnering with all its stakeholders based on the core values of trust, sustainability, growth, entrepreneurship, integrity, respect and care. To access the Vedanta Sustainable Development Report 2017, please visit http://www.vedantaresources.com/media/214366/vedanta_sd_report_2016-17.pdf. For more information on Vedanta, please visit 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 harbour 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. For the Company, uncertainties arise from the behaviour of financial and metals markets including the London Metal Exchange, fluctuations in interest and or exchange rates and metal prices; from future integration of acquired businesses; and from numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive or regulatory nature. These uncertainties may cause the Company's actual future results to be materially different than those expressed in these forward-looking statements. 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.

Disclaimers:

This announcement is not for publication or distribution, directly or indirectly, in or into the United States. Securities 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. 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. Vedanta has no intent to register the securities in the United States or any other jurisdiction.

This announcement is neither an offer to sell nor the solicitation of an offer to buy the Bonds and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful.

A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation.

The Bonds will only be offered to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"); (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

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 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.

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