



Vedanta Resources plc
16 Berkeley Street
London W1J 8DZ
Tel: +44 (0) 20 7499 5900
Fax: +44 (0) 20 7491 8440
www.vedantaresources.com

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Vedanta Resources Plc Offer to minority shareholders of MALCO

Vedanta Resources plc ("Vedanta" or the "Group") announces that it is making a cash offer to the minority shareholders of the Madras Aluminium Company Limited ("MALCO"). The offer is being made by Twin Star Holdings Limited, a wholly owned subsidiary of Vedanta and is consistent with Vedanta's strategy to consolidate the Group structure.

Vedanta currently owns 80% of MALCO. The offer to acquire up to 22,500,000 fully paid equity shares of MALCO, representing 20% of the outstanding issued share capital, is being made by way of a reverse book build process. The minimum floor price in accordance with Indian regulations is Indian Rupees ("INR") 74.77 per equity share. Vedanta does not intend to acquire shares under the offer at a price exceeding INR 105.00 per equity share. The tender period will commence on 17 March 2009 and close on 20 March 2009. A further announcement will be made as appropriate following the close of the offer.

For further information, please contact:

Sumanth Cidambi
Director - Investor Relations
Vedanta Resources plc

sumanth.cidambi@vedanta.co.in
Tel: +44 20 7659 4732 / +91 22 6646 1531

James Murgatroyd
Robin Walker
Finsbury

Tel: +44 20 7251 3801

About Vedanta

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

About MALCO

MALCO is a primary aluminium producer in South India with operations encompassing mining, refining, smelting and power generation. It has a capacity of 40,000 tpa of aluminium. On 10 December 2008, MALCO announced that it had temporarily suspended aluminium production in response to the fall in LME aluminium prices. MALCO's alumina refinery and power plant continue to operate. MALCO reported profits before tax of INR 752.7 million for the year ended 31 March 2008. Gross assets as at 31 March 2008 were INR 6,843.8 million. Through a wholly owned subsidiary, Vedanta currently holds 80% of the outstanding shares in MALCO.

Disclaimer

This press release contains "forward-looking statements" - that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "should" or "will." Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, 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 our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.