



**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 announces the launch of US\$ 725 million Convertible Bonds due 2026**

Vedanta Resources Plc ("Vedanta") announced today the launch of US\$ 725 million convertible bonds due 2026 (the "Bonds"). In addition, Barclays Bank PLC has been granted an option to increase the issue size by an additional US\$ 125 million. The Bonds will be issued by Vedanta Finance (Jersey) Limited (the "Issuer") and guaranteed by Vedanta.

The proceeds of the issue will be applied towards refinancing subsidiary indebtedness, Vedanta's capital expenditure programme including the Jharsuguda aluminium smelter project and for other general corporate purposes.

The twenty-year Bonds, with an investor put option on 21 February 2013, are convertible into US dollar denominated exchangeable redeemable preference shares of the Issuer. These preference shares will be automatically exchanged for ordinary shares in Vedanta, which will be represented by depositary receipts, so that holders will, on conversion of the Bonds, receive depositary receipts, without voting rights. The conversion price is expected to be set at a premium of between 48% to 55% to the volume weighted average price (from launch to pricing) of the ordinary shares of Vedanta on the London Stock Exchange (LSE). The Bonds are expected to price today and closing is expected on or about 21 February 2006.

It is intended that an application will be made for the Bonds to be listed on the Professional Securities Market (PSM) of the London Stock Exchange and for the depositary receipts to be listed on the Euro MTF of the Luxembourg Stock Exchange or in each case, another recognised market or stock exchange.

Barclays Capital is the Sole Bookrunner and Lead Manager for the offering.

For further information, please contact:

Sumanth Cidambi  
Associate Director – Investor Relations  
**Vedanta Resources plc**

[sumanth.cidambi@vedanta.co.in](mailto:sumanth.cidambi@vedanta.co.in)  
Tel: +91 22 5646 1531

Douglas Decker  
Barclays Capital

[douglas.decker@barcap.com](mailto:douglas.decker@barcap.com)  
Tel: +44 20 7773 8302

Robin Walker  
Finsbury

[robin.walker@finsbury.com](mailto:robin.walker@finsbury.com)  
Tel: +44 20 7251 3801

## About Vedanta Resources plc

Vedanta Resources plc is a London listed diversified metals and mining group. Its principal operations are located throughout India, with further operations in Zambia and Australia. The major metals produced are aluminium, copper, zinc and lead. For further information, please visit [www.vedantaresources.com](http://www.vedantaresources.com).

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