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Confirmation of Preliminary Discussions

Vedanta Resources plc ("Vedanta"), the London-listed metals and mining group, acknowledges today's supportive statement from the Orissa State Government and confirms that preliminary discussions have taken place with a view to the potential development of an iron ore mine in the state, combined with steel production.

In the event that the development proceeds, Vedanta would manage all the upstream projects, focusing exclusively on iron ore. Any steel production would be under the control of Volcan Investments Limited.

The state of Orissa, in India, is rich in both iron ore and alumina deposits. Vedanta already has a substantial alumina project in the state. The negotiations regarding iron ore are at an early stage but represent an opportunity for Vedanta to diversify its portfolio of base metals in a region where we have an established record for development.

There will be further announcements as appropriate.

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Notes to Editors:

About Vedanta

Vedanta is a London listed diversified metals and mining group with zinc, copper and aluminium operations in India and two copper mines in Australia.

Vedanta holds its interests in these operations through two subsidiaries, Sterlite Industries (India) Limited ("Sterlite") and the Madras Aluminium Company Ltd. Sterlite is Vedanta's principal subsidiary company and is currently listed on the Bombay Stock Exchange. Vedanta's copper operations are owned and operated by Sterlite, which also holds majority stakes in the group's zinc business, Hindustan Zinc Ltd, and the group's principal aluminium business, the Bharat Aluminium Company Ltd.

Volcan Investments Limited is Vedanta Resources plc's major shareholder. Its current holding in Vedanta is 53.8%.