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## **VEDANTA UPDATE ON KCM**

**10 December 2020, London:** Vedanta Resources Holdings Limited and its parent, Vedanta Resources Limited (“the Parent Company”), issues the following statement with regards to rumours in Zambia that the Provisional Liquidator is set to split the KCM business into two separate units and is considering divesting one or both of these units to unnamed, opportunistic and potentially ESG-challenged investors. Such action would be in violation of the Court of Appeal’s recent ruling in its judgment dated 20 November 2020.

On 20 November 2020, the Zambian Court of Appeal delivered a judgement ordering that the winding up proceedings against KCM be stayed pursuant to section 10 of the Arbitration Act, 2000. Whilst it is the firm intention of the Company to find an amicable solution to the dispute with ZCCM-IH that is in the best interest of KCM and Zambia, Vedanta will act within its rights to ensure that its interests in KCM are fully protected and the provisional liquidator does not act in flagrant breach of the Court of Appeal’s decision. Moreover, Vedanta will take all necessary steps both in Zambia and internationally to safeguard its interests in KCM should the provisional liquidator attempt to dispose of KCM’s assets to any third party who would axiomatically be party to an unlawful act.

Vedanta remains strongly committed to KCM, its operations and employees, local communities and the Government of Zambia, just as it has been over the past fifteen years. This commitment includes providing significant financial and technical support to KCM in order to stabilise current operations as well as further developing the assets to allow for a successful turnaround of the business, as outlined in our Financial Letter of Support submitted to the KCM board of directors and the Zambian High Court on 16 August 2019. Vedanta will also ensure the payment of all outstanding validated and approved creditor debt.

Any agreement would be subject to terms that are consistent with the current shareholders’ agreement between Vedanta and ZCCM-IH.

ENDS

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