

Production Release for the Second Quarter and Half Year Ended 30 September 2012

Goa, 09 October 2012: Sesa Goa Limited ("SGL" or the "Company") today announced its unaudited consolidated production release for the second quarter ("Q2") and half year ended ("H1") 30 September 2012.

Sales of Iron Ore were 0.2 million tonnes in Q2 and 3.1 million tonnes in H1, as compared with 1.6 million tonnes and 5.8 million tonnes in the corresponding prior periods, respectively. Iron ore operations were affected by the mining ban in Karnataka, a temporary restriction on iron ore extraction in Goa, and transportation restrictions in South Goa during the monsoons.

Last month, the Supreme Court allowed some mines in Karnataka to resume mining operations, in line with recommendations of the Central Empowered Committee (CEC), and has now commenced the process for other mines including our mine in Karnataka. The CEC has approved our Reclamation and Rehabilitation plan at a provisional production capacity of 2.29 mtpa and we expect to commence mining in Karnataka, subject to receiving the court's approval.

The Goa state government ordered a temporary suspension on extraction of ore across the state of Goa from 11 September 2012 pending verification of various approval documents, but stated that the ore already mined-out may be transported and sold after inspection and clearance by the state government. Further, the Ministry of Environment and Forests suspended existing environmental clearances of mines across the state from 14 September 2012, and is verifying documents related to environmental clearances. On 5 October 2012, the Supreme Court ruled that the ban on mining activities in Goa continue, and asked the CEC to file a preliminary report in four weeks. Until then, the court has also restricted any movement of ore from mines or stockyard. We are working closely with the regulatory authorities to complete the review processes.

Expansions of the pig iron capacity (to 625 ktpa) and the associated metallurgical coke capacity were successfully commissioned during Q2.

At our Liberia iron ore project, exploration activities are progressing well, with over 31,000 meters of drilling completed till 30 September 2012. We remain on track to deliver the first shipment in FY2014.

Consolidated Production Summary (Unaudited)

	Q2			Q1	H1		
Particulars (in million dry metric tonnes, or as stated)	FY2013	FY2012	% change YoY	FY2013	FY2013	FY2012	% change YoY
IRON ORE¹							
Sales	0.2	1.6	(86%)	2.9	3.1	5.8	(47%)
Goa	0.2	0.8	(75%)	2.8	3.0	4.0	(24%)
Karnataka ²	0.0	0.7	(98%)	0.0	0.1	1.8	(97%)
Production of Saleable Ore	0.4	1.1	(65%)	3.4	3.7	5.5	(32%)
Goa	0.4	0.7	(42%)	3.4	3.7	4.6	(18%)
Karnataka	0.0	0.5	-	0.0	0.0	0.9	-
Production ('000 tonnes)							
Pig Iron	82	63	30%	39	121	126	(3%)
Met Coke	83	65	28%	64	146	128	14%

1. Iron Ore sales include internal sales of 0.18 million tonnes in H1 FY2013 vs. 0.12 million tonnes in H1 FY2012 and 0.12 million tonnes in Q2 FY12-13 vs. 0.05million tonnes in Q2 FY2012.
2. Sales of iron ore from Karnataka were 0.01 million tonnes in Q2 FY2013 and 0.06 million tonnes in H1 FY2013 through court sponsored e-auctions of inventory.