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GLENCORE plc

GLENCORE PLC

(Incorporated in Jersey under the Companies (Jersey) Laws 1991 with registered number 107710)

(Stock Code: 805)

Glencore Announces Offer to Purchase Up to the Aggregate Maximum Tender Amount of U.S.\$1,250,000,000 of Outstanding Notes

Glencore Funding LLC (the “**Company**”) has invited holders of some designated notes to tender some or all of their Notes for purchase by the Company for cash for an aggregate principal amount of up to U.S.\$1,250,000,000 , on the terms of, and subject to the conditions contained in, an offer to purchase dated October 3, 2016.

Please see the attached announcement for more details.

By order of the Board

Glencore plc

Tony Hayward

Chairman

Baar, Switzerland, 4 October 2016

As of the date of this announcement, the executive directors are Mr Ivan Glasenberg (Chief Executive Officer) and the independent non-executive directors are Mr Anthony Hayward (Chairman), Mr Peter Coates, Mr Leonhard Fischer, Mr Peter Grauer, Mr William Macaulay, Mr John Mack and Ms Patrice Merrin.

GLENCORE

Baar, Switzerland
3 October, 2016

Glencore Announces Offer to Purchase Up to the Aggregate Maximum Tender Amount of U.S.\$1,250,000,000 of Outstanding Notes

October 3, 2016—Glencore Funding LLC (the “Company”) has today invited holders of the notes listed below (the “Notes”) to tender some or all of their Notes for purchase by the Company for cash (the “Offers”, each an “Offer”) for an aggregate principal amount of up to U.S.\$1,250,000,000 (the “Maximum Tender Amount”), on the terms of, and subject to the conditions contained in, an offer to purchase dated October 3, 2016 (the “Offer to Purchase”). In addition, the 3.125% Notes due 2019, 2.500% Notes due 2019 and Floating Rate Notes due 2019 (together, the “2019 Notes”) are subject to a purchase limit of U.S.\$1,000,000,000 in aggregate principal amount of 2019 Notes (the “2019 Maximum Tender Amount”). Capitalized terms not otherwise defined in this announcement have the same meaning as assigned to them in the Offer to Purchase.

Holders are advised to read carefully the Offer to Purchase for full details of, and information on the procedures for participating in, the Offers.

Title of Security	Rule 144A CUSIP/ ISIN	Reg S ISIN	Outstanding Principal Amount	Acceptance Priority Level	Reference U.S. Treasury Security	Bloomberg Reference Page ⁽¹⁾	Fixed Spread (bps)	Early Tender Premium ⁽²⁾	Total Offer Consideration ⁽³⁾
2019 Notes - subject to the 2019 Maximum Tender Amount of U.S.\$1,000,000,000 in aggregate principal amount									
3.125% Notes due 2019	378272 AG3/ US378272AG37	XS1028955760	U.S.\$1,000,000,000	1	0.875% U.S. Treasury Notes due 9/15/2019	FIT1	+120	U.S.\$30.00	To be determined as set out herein
2.500% Notes due 2019	378272 AD0/ US378272AD06	XS0938722401	U.S.\$1,471,288,000	2	0.875% U.S. Treasury Notes due 9/15/2019	FIT1	+100	U.S.\$30.00	To be determined as set out herein
Floating Rate Notes due 2019	378272 AE8/ US378272AE88	XS0938722583	U.S.\$500,000,000	3	—	—	—	U.S.\$30.00	U.S.\$1,010.00 ⁽²⁾
2018 Notes – subject to the Aggregate Maximum Tender Amount minus aggregate principal amount of 2019 Notes accepted for purchase									
2.125% Notes due 2018	378272 AJ7/ US378272AJ75	XS1218431705	U.S.\$466,205,000	4	0.75% U.S. Treasury Notes due 9/30/2018	FIT1	+65	U.S.\$30.00	To be determined as set out herein
Floating Rate Notes due 2018	378272 AM0/ US378272AM05	XS1218431960	U.S.\$233,484,000	5	—	—	—	U.S.\$30.00	U.S.\$1,010.00 ⁽²⁾

Notes:

- (1) The applicable page on Bloomberg from which the Lead Dealer Managers will quote the bid-side prices of the applicable Reference U.S. Treasury Security.
- (2) Per U.S.\$1,000 principal amount of Notes that are accepted for purchase.
- (3) The applicable Total Offer Consideration plus the Accrued Interest will be paid to Holders of Notes that have been validly tendered at or prior to the Early Tender Date and accepted for purchase. Holders of Notes that have been validly tendered after the Early Tender Date, but at or prior to the Expiration Date and accepted for purchase will be paid the applicable Base Offer Consideration plus the Accrued Interest.

The Company offers to purchase for cash the fixed rate notes set out in the table above (the “Fixed Rate Notes”) that have been validly tendered and not validly withdrawn at or prior to the Early Tender Date and accepted for purchase at the consideration per U.S.\$1,000 principal

amount as determined in the manner described in the Offer to Purchase by reference to a fixed spread specified for the applicable Fixed Rate Notes over the yield to maturity of the applicable Reference U.S. Treasury Security specified in the table above based on the bid-side price of the applicable Reference U.S. Treasury Security, as calculated by the Lead Dealer Managers in accordance with standard market practice at 11:00 a.m., New York City time, on October 18, 2016 (subject to certain exceptions set forth in the Offer to Purchase, the “**Fixed Rate Price Determination Date**”), (the “**Fixed Rate Total Offer Consideration**”). The applicable Fixed Rate Total Offer Consideration minus the applicable early tender premium set forth in the table above (the “**Early Tender Premium**”) equals the applicable “**Fixed Rate Base Offer Consideration**”, which will be paid to Holders of Fixed Rate Notes that have been validly tendered after the Early Tender Date, but at or prior to the Expiration Date and accepted for purchase.

The Company offers to purchase for cash the Floating Rate Notes that have been validly tendered and not validly withdrawn at or prior to the Early Tender Date and accepted for purchase at the consideration per U.S.\$1,000 principal amount set forth next to the corresponding series of Notes in the table above (the “**Floating Rate Total Offer Consideration**”, such term, together with the Fixed Rate Total Offer Consideration, as applicable, referred to herein as the “**Total Offer Consideration**”). The applicable Floating Rate Total Offer Consideration minus the applicable Early Tender Premium equals the applicable “**Floating Rate Base Offer Consideration**”, which will be paid to Holders of Floating Rate Notes that have been validly tendered after the Early Tender Date, but at or prior to the Expiration Date. The Floating Rate Base Offer Consideration together with the Fixed Rate Base Offer Consideration, as applicable, are referred to herein as the “**Base Offer Consideration**”.

In addition to the applicable Base Offer Consideration or Total Offer Consideration, as the case may be, all Holders of the Notes accepted for purchase will also receive accrued and unpaid interest on such Notes (rounded to the nearest U.S.\$0.01 with U.S.\$0.005 being rounded upwards) from the last interest payment date up to, but not including, the applicable Payment Date.

Subject to the Aggregate Maximum Tender Amount and the 2019 Maximum Tender Amount, the amount of any series of Notes that is purchased in an Offer on a Payment Date will be based on the order of priority (the “**Acceptance Priority Level**”) for such series, as set forth in the table above, with Acceptance Priority Level 1 being the highest and Acceptance Priority Level 5 being the lowest. On each Payment Date, validly tendered 2019 Notes having Acceptance Priority Level 1, 2 or 3 will be accepted, up to the 2019 Maximum Tender Amount, before any validly tendered Notes having Acceptance Priority Level 4 or 5 will be accepted. The series 2019 Notes with the lowest Acceptance Priority Level accepted for purchase may be subject to proration if the aggregate principal amount of the 2019 Notes validly tendered and not validly withdrawn would cause the 2019 Maximum Tender Amount to be exceeded. The series of either the Floating Rate Notes due 2018 and the 2.125% Notes due 2018 (together, the “**2018 Notes**”) or the 2019 Notes with the lowest Acceptance Priority Level accepted for purchase may also be subject to proration if the aggregate principal amount of the 2019 Notes and the 2018 Notes validly tendered and not validly withdrawn would cause the Aggregate Maximum Tender Amount to be exceeded.

All Notes that are validly tendered for purchase at or prior to the Early Tender Date will have priority over any Notes that are validly tendered for purchase after the Early Tender Date. Accordingly, if the aggregate principal amount of Notes validly tendered for purchase at or prior to the Early Tender Date equals or exceeds the Maximum Tender

Amount, no Notes tendered for purchase after the Early Tender Date will be accepted for purchase (even if they are of a higher Acceptance Priority Level).

Each Offer will expire at 11:59 p.m., New York City time, on October 31, 2016, unless extended or earlier terminated for that Offer as described in the Offer to Purchase (such time and date, as the same may be extended with respect to that Offer, the “**Expiration Date**”). Holders of Notes must validly tender their Notes at or prior to 5:00 p.m., New York City time, on October 17, 2016, unless extended (such date and time, as the same may be extended with respect to that Offer, the “**Early Tender Date**”), and not validly withdraw their Notes at or prior to the Withdrawal Deadline (as defined below) to be eligible to receive the applicable Total Offer Consideration, plus Accrued Interest. Holders of Notes who validly tender their Notes after the Early Tender Date, but at or prior to the Expiration Date will only be eligible to receive the applicable Base Offer Consideration equal to the applicable Total Offer Consideration minus the applicable Early Tender Premium, plus Accrued Interest. Notes tendered may be withdrawn at any time prior to 5:00 p.m., New York City time, on October 17, 2016, unless extended by the Company (such date and time, as the same may be extended, with respect to that offer, the “**Withdrawal Deadline**”), but not thereafter.

Subject to applicable securities laws and the terms set within the Offer to Purchase, the Company expressly reserves the right, in its sole discretion, to (i) terminate an Offer and not accept for purchase any Notes not theretofore accepted for purchase, (ii) waive any or all of the conditions of any Offer prior to the date of acceptance for purchase of Notes in that Offer, (iii) extend the Early Tender Date or the Expiration Date, in each case, without extending the Withdrawal Deadline (unless otherwise required by law), (iv) increase or decrease the Aggregate Maximum Tender Amount and/or the 2019 Maximum Tender Amount or (v) amend the terms of any Offer.

For further information please contact:

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D.F. King & Co., Inc. has been appointed by the Company as information agent and tender agent for the purposes of the Offers.

J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated have been appointed as the Lead Dealer Managers, and Mizuho Securities USA Inc., Santander Investment Securities Inc. and Standard Chartered Bank have been appointed as the Co-Dealer Managers, for the purposes of the Offers.

Holders of the Notes may access the Offer to Purchase at www.dfking.com/glencore and requests for information in relation to the Tender Offers should be directed to the Lead Dealer Managers or the Information Agent.

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NOTICE AND DISCLAIMER

This announcement is neither an offer to purchase, nor a solicitation of an offer to sell the Notes or any other securities. The Company is making the offers only by, and pursuant to, the terms of the Offer to Purchase. The offers are not being made in any jurisdiction in which the making of or acceptance thereof would not be in compliance with the securities laws, blue sky laws or other laws of such jurisdiction. None of the Company, the Guarantors, the Dealer Managers, the Tender Agent or the Information Agent is making any recommendation as to whether Holders should tender or refrain from tendering their Notes in response to the Offers or how much they should tender. Each Holder must make his, her or its own decision as to whether to tender or refrain from tendering Notes, and, if a Holder determines to tender, as to how many Notes of each series to tender.

OFFER AND DISTRIBUTION RESTRICTIONS

This announcement and the Offer to Purchase do not constitute an offer or an invitation to participate in the Offers in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such offer or invitation or for there to be such participation under applicable laws. The distribution of this announcement and the Offer to Purchase in certain jurisdictions may be restricted by law. Persons into whose possession this announcement or the Offer to Purchase comes are required by each of the Company, the Guarantors, the Dealer Managers, the Tender Agent and the Information Agent to inform themselves about and to observe any such restrictions.

United Kingdom

The communication of this announcement, the Offer to Purchase and any other documents or materials relating to the Offers is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of Section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom, and are only for circulation to persons to whom they can lawfully be circulated outside the United Kingdom or to persons within the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Order), or within Article 43(2) of the Order, or within Article 49(2)(a) to (d) of the Order, or to other persons to whom it may lawfully be communicated in accordance with the Order (such persons together being the “**Relevant Persons**”). This announcement, the Offer to Purchase and any other documents or materials relating to the Offers are only available to Relevant Persons and the transactions contemplated herein will be available only to, and engaged in only with, Relevant Persons, and this Offer to Purchase must not be relied or acted upon by persons other than Relevant Persons.

Belgium

None of this announcement, the Offer to Purchase nor any other documents or materials relating to the Offers in respect of each Series of Securities have been submitted to or will be submitted for approval or recognition to the Financial Services and Markets Authority (“*Autorite des services et marches financiers/Autoriteit financiële diensten en markten*”) and, accordingly, the Offers may not be made in Belgium by way of a public offering, as defined in Articles 3 and 6 of the Belgian Law of 1 April 2007 on public takeover bids (the “**Belgian Takeover Law**”) as amended or replaced from time to time. Accordingly, the Offers may not be advertised and the Offers will not be extended, and none of this announcement, the Offer to Purchase nor any other documents or materials relating to the Offers (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than (i) to “qualified investors” in the sense of Article 10 of the Belgian Law of 16 June 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets, acting on their own account or (ii) in any circumstances set out in Article 6, § 4 of the Belgian Takeover Law. This announcement and the Offer to Purchase have been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Offers. Accordingly, the information contained in this announcement and the Offer to Purchase may not be used for any other purposes or disclosed to any other person in Belgium.

France

The Offers are not being made, directly or indirectly, to the public in France. None of this announcement, the Offer to Purchase nor any other documents or offering materials relating to the Offers in respect of each Series of Securities have been or shall be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d’investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*), all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code monétaire et financier, are eligible to participate in the Offers. Neither this announcement nor the Offer to Purchase has been submitted to the clearance procedures (*visa*) of the Autorité des marchés financiers.

Italy

None of this announcement, the Offer to Purchase nor any other documents or materials relating to the Offers have been or will be submitted to the clearance procedure of the Commissione Nazionale per le Società e la Borsa (“**CONSOB**”) pursuant to Italian laws and regulations.

The Offers are being carried out in the Republic of Italy as exempted offers pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”) and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended (the “**Issuers’ Regulation**”). The Offers are also being carried out in compliance with article 35-bis, paragraph 7 of the Issuers’ Regulation.

A holder of Notes located in the Republic of Italy can tender Notes through authorized persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Notes or the Offers.

General

Neither this announcement nor the Offer to Purchase constitutes an offer to buy or a solicitation of an offer to sell Securities, and tenders of Securities in the Offers will not be accepted from Holders, in any jurisdiction in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require an Offer to be made by a licensed broker or dealer and a Dealer Manager or its affiliate is such a licensed broker or dealer in such jurisdictions, the Offer shall be deemed to be made on behalf of the Company by such Dealer Manager or such affiliate, as the case may be, and no Offer is made in any such jurisdiction where the relevant Dealer Manager or its affiliate is not so licensed.

Glencore

Glencore is one of the world's largest global diversified natural resource companies and a major producer and marketer of more than 90 commodities. The Group's operations comprise around 150 mining and metallurgical sites, oil production assets and agricultural facilities.

With a strong footprint in both established and emerging regions for natural resources, Glencore's industrial and marketing activities are supported by a global network of more than 90 offices located in over 50 countries.

Glencore's customers are industrial consumers, such as those in the automotive, steel, power generation, oil and food processing. We also provide financing, logistics and other services to producers and consumers of commodities. Glencore's companies employ around 160,000 people, including contractors.

Glencore is proud to be a member of the Voluntary Principles on Security and Human Rights and the International Council on Mining and Metals. We are an active participant in the Extractive Industries Transparency Initiative.


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