

Ref. 0958/60E

September 10, 2015

Subject: Shareholders' Rights to Propose the Agenda for the Annual General Meeting and Nomination of New Board Members in Advance

Attn: President  
The Stock Exchange of Thailand

The Company wishes to forward the procedures regarding the rights of the shareholders to propose agenda and nomination of the new board members in advance for the Annual General Meeting of Shareholders to be held in 2016, in both Thai and English version for one copy each, which will be disseminated on the Company's website ([www.lannar.com](http://www.lannar.com)) from September 16, 2015 onward.

Please be informed accordingly,

Yours faithfully,

For and on behalf of Lanna Resources Public Company Limited

(Mr. Anun Louharanoo)  
Executive Director

**PROCEDURES**  
**TO PROPOSE ITEMS FOR THE AGENDA OF THE ANNUAL GENERAL MEETING**  
**AND**  
**NOMINATION OF NEW BOARD MEMBERS BY SHAREHOLDERS IN ADVANCE**  
**FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS YEAR 2016**

**(A) Policy on Equitable Treatment to Shareholders**

Lanna Resources Public Company Limited has a policy to ensure equal treatments for all shareholders, especially the minority shareholders. One of the measures is to allow the minority shareholders to propose items for the agenda of the Annual General Meeting of Shareholders and nomination of new board members by the shareholders in advance. The established procedures herewith are the rights given to the shareholders in addition to any rights that the shareholders may have under the Company's Articles of Association and other applicable laws and regulations.

**(B) Objectives**

In order to follow the principles of good corporate governance, the Company wishes to promote the followings:

- To give opportunity and make it convenient for the minority shareholders to propose items for the agenda in advance of the Annual General Meeting of Shareholders.
- To give opportunity and open channel for the minority shareholders to propose for the nomination of new board members of the Company.

**(C) Procedures or Criteria for the Proposal of Agenda Items**

**(1) Minimum Shareholding Requirement for Eligibility to Propose Agenda Items**

A shareholder or combined number of shareholders with shareholding no less than 0.50 percent of the total number of voting rights of the Company have the right to propose the agenda items (the Company's current registered capital which are all ordinary shares with voting right of 525 million shares (in round figure) ; therefore, the minimum shareholding of 0.50 percent of the total number of voting rights of the Company equals to 2.625 million shares)

**(2) Details of Support Data Required for a Proposed Agenda Item**

(2.1) Contact Name, Address and Telephone Number of the shareholder(s) proposing the agenda item

(2.2) Number of shareholding, which is not less than the criteria stated in (1)

(2.3) Objectives of proposed items in order to inform whether the items are proposed for approval or for consideration, etc.

(2.4) Details relating to the proposed items, e.g., facts, reasons and main issues to be considered

(2.5) Additional information or data that the shareholders deem necessary and appropriate for consideration or decision.

**(3) Minimum Information Required for Proposing for Nomination of a New Board Member**

(3.1) Curriculum vitae or information of the proposed person for board member appointment

(3.1.1) Background information such as the name, age, nationality, working experience, education, Company's shareholding, etc.

(3.1.2) Working position in the business competing with the Company or business connected with the Company's business which is considered significant (if any) such as customer, raw material supplier, etc., in order to determine whether the person has any conflict of interest being the board member of the Company.

(3.2) Type of member for the appointment such as for audit committee member, independent director, chairman of the board, authorized director, etc.

(3.3) Written Authority from the person being proposed for director appointment

(3.4) In the case of proposing a person for appointment as an independent director, the person must possess the following qualifications.

(3.4.1) Holding shares not more than one percent of all shares with voting rights of the Company, holding company, subsidiary company, associated company or corporate with possible conflict, which shall be inclusive of the shares held by related persons of the such person proposed for the appointment.

(3.4.2) Not being or used to be the director who takes part in the management of the Company, or an employee, staff member or advisor who receives a regular salary or is a controlling person of the Company, holding company, subsidiary company, associated company, subsidiary company of the same level or corporate with possible conflict, except having been out of the above position for at least two years prior to the appointment.

(3.4.3) Not being a person who is related by blood or by law as a parent, spouse, sibling and child including a child's spouse, to any management member, major shareholder, controlling person or the person whom has been proposed to become the management member or controlling person of the Company or subsidiary company.

(3.4.4) Not having or used to have business relationship with the Company, holding company, subsidiary company, associated company or corporate with possible conflict in a way which may prevent independent judgment, as well as not being or used to be the major shareholder, non-independent director or management member of the entity having business relationship with the Company, holding company, subsidiary company, associated company or corporate with possible conflict, except having been out of the above position for at least two years prior to the appointment.

(3.4.5) Not being or used to be the auditor of the Company, holding company, subsidiary company, associated company or corporate with possible conflict and not being the major shareholder, non-independent director or management member or managing partner of the audit firm with staff being the auditor of the company, holding company, subsidiary company, associated company or corporate with possible conflict, except having been out of the above position for at least two years prior to the appointment.

(3.4.6) Not being or used to be the service provider in any professions including legal advisor or financial advisor receiving the service fee exceeding Baht 2 million per year from the Company, holding company, subsidiary company, associated company or corporate with possible conflict. Nevertheless, in the case of the professional service provider being a corporate, the consideration shall extend to the major shareholder, non-independent director, management member or managing partner of such professional service provider, except having been out of the above position for at least two years prior to the appointment.

(3.4.7) Not being the director who has been appointed as the representative of the Company, major shareholder or shareholder whom is related to the major shareholder of the Company.

(3.4.8) Having no other characteristic which may prevent from giving independent opinions concerning with the business operation of the Company.

(3.5) In the case of proposing a person for appointment as an audit committee member, the person must possess the following qualifications.

(3.5.1) must have qualifications as an independent director according to (3.4). above

(3.5.2) must not be a director assigned to make operation decision of the Company, holding company, subsidiary company, associated company, subsidiary company of the same level or corporate with possible conflict, except for the type of collective decision.

(3.5.3) must not be a director of the holding company, subsidiary company or subsidiary company of the same level, particularly of the listed company.

(3.5.4) Having sufficient knowledge and experience to perform duties as the audit committee member.

#### **(4) Channels for Submitting the Proposed Agenda Items**

(4.1) The shareholder must propose the agenda items in writing and forwarded by mail or facsimile to the Company Secretary or;

(4.2) Submit through the Company's website for initial notification before sending official letter to the Secretary of the Company for proposing to the Board of Directors' consideration to include in the shareholders' meeting agenda.

Send to: Mr. Anun Louharanoo  
Company Secretary  
Lanna Resources Public Company Limited  
888/99 Mahathun Plaza Building, 9<sup>th</sup> Floor, Ploenchit Road  
Lumpini, Pathumwan, Bangkok 10330  
E-mail: [anun@lannar.com](mailto:anun@lannar.com)  
Tel.: (66) 02 253 8080 Ext. 194, Fax: (66) 02 253 6822

#### **(5) Submission Period**

From October 1, 2015 through December 31, 2015

**(6) The Board of Directors shall not consider or include the following items into the shareholders' meeting agenda.**

(6.1) Matter that is beyond the authority of the Company or the Board of Directors.

(6.2) Matter that concerns with ordinary course of business of the Company and the facts as referred by the shareholder do not demonstrate any cause for suspicion concerning abnormality of such matter.

(6.3) Matter that have already been proposed to the shareholders' meeting by the shareholders during the past 12 months and was voted in favor by less than 10 percent of the total number of voting rights of the Company, and the facts have not changed significantly from the previous proposal.

(6.4) Matter proposed by the shareholder without adequate data and information or noncompliance with the above criteria set by the Company.

(6.5) Other matters that the Board of Directors deem unnecessary for inclusion in the meeting agenda (of which the Board of Directors of the Company shall clarify the reason and explanations to the shareholders accordingly).

#### **(D) The Process by the Board of Directors after Receiving Proposal from the Shareholders**

(1) Board of Directors' Meeting to consider the matters proposed by the shareholders

The matters proposed by the shareholders according to (C) above shall be presented to the Board of Directors for consideration at the next meeting after the closing of submission period, of which this Board of Directors' Meeting will be arranged within March 2016.

(2) Inclusion of the proposed items into the meeting agenda

(2.1) The matters, which the Board of Directors has considered appropriate and should be included in the meeting agenda, shall be in the shareholders' meeting invitation, and opinion of the Board of Directors shall mention that the items are proposed by the shareholders.

(2.2) The matters, which the Board of Directors has considered not to include in the meeting agenda, shall be informed to the shareholders with reasons on the Company's website, including disclosure of the above information through the channels of the Stock Exchange of Thailand before the meeting and the shareholders shall be informed again at the shareholders' meeting.

(2.3) In the event that the shareholders' meeting has resolved with majority of votes of the total number of shareholders attending the meeting with voting rights to approve for inclusion of the matter proposed by the shareholders above in (2.2) as the meeting agenda of the shareholders' meeting, the Company's Board of Directors shall include such matter as the meeting agenda for the next shareholders' meeting.