

Ref. No. 0557/51E

May, 14 2014

Subject: Clarification on the Operating Result in the 1st Quarter 2014

Attn: President
The Stock Exchange of Thailand

The Company wishes to report the Company's operating results in the 1st quarter 2014, which can be summarized as follows:

The Company's net profit in the 1st quarter 2014 was Baht 215.04 million, or net earnings of Baht 0.41 per share. When compared with the same period last year, the net profit increased by 20.82 percent due to the following reasons.

(1) Net profit from coal business in the 1st quarter 2014 was Baht 66.32 million or 30.84 percent of the total net profit, which decreased from the same period last year by 68.22 percent. This was due to an increase in the average cost of coal sales by 7.00 percent, despite increases in coal sales volume and the average coal selling price by 4.85 and 3.33 percent, respectively.

(2) Net profit from ethanol business in the 1st quarter 2014 was Baht 76.48 million, or an increase of 35.57 percent of the total net profit, which increased from the same period last year by 149.36 percent. This was due to an increase in ethanol sales volume and the average ethanol selling price by 36.24 and 16.36 percent, respectively.

(3) Net share of income from investment in the associate company and other revenues in the 1st quarter 2014 was Baht 72.24 million or 33.59 percent of the total net profit, which increased from the same period last year by 465.70 percent. This was due to the foreign exchange gain of Baht 58.74 million, comparing to the loss of Baht 8.61 million in the same period last year.

The details of the changes and impacts are described in the Management Discussion and Analysis (MD&A)

Please be informed accordingly.

Yours faithfully,
For and on behalf of
Lanna Resources Public Company Limited

(Mr. Anun Louharanoo)
Chief Financial Officer