

Ref. No. 1157/79E

November 13, 2014

Subject: Clarification on the Operating Result in the 3rd Quarter 2014
Attn: President
The Stock Exchange of Thailand

The Company wishes to report the Company's operating results in the 3rd quarter 2014 and the first 9-month period of 2014, which can be summarized as follows:

(1) The Company's net profit in the 3rd quarter 2014 was Baht 52.18 million, or net earnings of Baht 0.10 per share. When compared with the same period last year, the net profit decreased by 44.75 percent due to the following reasons.

(1.1) Net profit from coal business derived from shareholding proportion of the Company in the 3rd quarter 2014 was Baht 17.68 million or 33.88 percent of the total net profit, which decreased from the same period last year by 70.04 percent. This was due to decreases in coal sales volume and selling price of 20.83 percent and 9.55 percent, respectively.

(1.2) Net profit from ethanol business derived from shareholding proportion of the Company in the 3rd quarter 2014 was Baht 17.73 million or 33.98 percent of the total net profit, which decreased from the same period last year by 34.41 percent. This was due to the decrease in shareholding of the Company from 75.75 percent to 51 percent according to the spin-off plan.

(1.3) Net share of income from investment in the associate company and other revenues in the 3rd quarter 2014 was Baht 16.77 million or 32.14 percent of the total net profit, which increased from the same period last year by 99.88 percent. This was due to an increase in interest income and profit from sale of unit trust.

(2) The Company's net profit in the first 9-month period of 2014 was Baht 365.80 million, or net earnings of Baht 0.70 per share. When compared with the same period last year, the net profit decreased by 16.77 percent due to the following reasons.

(2.1) Net profit from coal business derived from shareholding proportion of the Company in the first 9-month period of 2014 was Baht 171.60 million or 46.91 percent of the total net profit, which decreased from the same period last year by 47.61 percent. This was due to a decrease in coal selling price of 3.39 percent, but the coal sales volume slightly increased by 1.94 percent.

(2.2) Net profit from ethanol business derived from shareholding proportion of the Company in the first 9-month period of 2014 was Baht 150.94 million or 41.26 percent of the total net profit, which increased from the same period last year by 91.23 percent. This was due to increases in ethanol sales volume and selling price of 44.76 percent and 6.47 percent, respectively.

(2.3) Net share of income from investment in the associate company and other revenues in the first 9-month period of 2014 was Baht 43.26 million or 11.83 percent of the total net profit, which increased from the same period last year by 31.05 percent. This was due to an increase in interest income and profit from sale of unit trust.

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