

Ref. No. 0556/48E

May 14, 2013

Subject : Clarification on the Operating Result of the first quarter 2013
Attn : President
The Stock Exchange of Thailand

The company wishes to report on the Company's Operating Result of the first quarter 2013, which can be summarized as follows.

The Company's net profit in the first quarter 2013 was Baht 177.98 million (net earnings of Baht 0.51 per share). When compared with the same period last year with the net profit of Baht 271.83 million (net earnings of Baht 0.78 per share), the net profit decreased by Baht 93.85 million (a decrease of net earnings of Baht 0.27 per share) or a decrease of 34.53 percent due to the following reasons.

(1) Net profit from coal business in the first quarter 2013 was Baht 134.54 million or 75.59 percent of the total net profit, which decreased from the same period last year by Baht 19.41 million or a decrease of 12.61 percent. This was due to an increase in the coal sales volume of 52.52 percent, but the average coal sales price decreased by 32.52 percent.

(2) Net profit from ethanol business in the first quarter 2013 was Baht 30.67 million or 17.23 percent of the total net profit, which decreased from the same period last year by Baht 22.47 million or a decrease of 42.28 percent. This was due to an increase in ethanol sales volume of 25.30 percent and increase in the average ethanol sale price of 11.28 percent, but the average ethanol sales cost per liter of 38.12 percent since the price of raw material, molasses, which is a major cost, increased from the same period last year by 45.58 percent.

(3) Net share of income from investment in the associated company and other revenue in the first quarter 2013 were Baht 12.77 million or 7.18 percent of the total net profit, which decreased from the same period last year by Baht 51.97 million or a decrease of 80.27 percent. This was due to the dissolution of one of the subsidiary companies, and thus there was no revenue from coal transport, loading port and jetty facilities services.

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