

November 14, 2017

Subject: Clarification on the Operating Results of the 3rd quarter 2017 and the first 9-month period of 2017

Attn: President

The Stock Exchange of Thailand

The Company wishes to report on the Company's operating results of the 3rd quarter 2017 and the first 9-month period of 2017. Details of the changes and impacts are described in the Management Discussion and Analysis (MD&A). The Company and subsidiary companies had total net profit during the 3rd quarter 2017 and the first 9-month period of 2017 of Baht 249.59 million and Baht 551.21 million or net earnings per share of Baht 0.48 and 1.05, respectively. In comparison with the same period last year, the net profit increased by Baht 175.36 million and Baht 292.49 million or 236.24 and 113.05 percent, respectively., respectively, due to the following reasons:

(1) The net profit of the Company and subsidiary companies in the 3rd quarter 2017 totaled Baht 249.59 million, or net earnings per share of Baht 0.48, which increased from the same period last year by Baht 175.36 million or an increase in net earnings per share of Baht 0.34 or 236.24 percent, due to the following reasons:

(1.1) Net profit from coal business derived from shareholding proportion of the Company was Baht 208.21 million or 83.42 percent of the total net profit, which increased from the same period last year by Baht 177.93 million or 587.62 percent. This was due to the increase in the volume and average coal selling price of 27.74 and 26.47 percent.

(1.2) Net profit from ethanol business derived from shareholding proportion of the Company was Baht 29.06 million or 11.64 percent of the total net profit, which increased from the same period last year by Baht 9.40 million or 47.81 percent due to the increase in volume and average ethanol selling price by 3.86 and 12.82 percent.

(1.3) Share of income from associated company and other revenue were Baht 12.32 million or 4.94 percent of the total net profit, which decreased from the same period last year by Baht 11.97 million or 49.28 percent due to the decrease in foreign exchange gain and interest received.

(2) The net profit of the Company and subsidiary companies in the first 9-month period of 2017 totaled Baht 551.21 million, or net earnings per share of Baht 1.05, which increased from the same period last year by Baht 292.49 million or an increase in net earnings per share of Baht 0.56 or 113.05 percent, due to the following reasons:

(2.1) Net profit from coal business derived from shareholding proportion of the Company was Baht 413.93 million or 75.09 percent of the total net profit, which increased from the same period last year by Baht 322.50 million or 352.73 percent. This was due to the increase in the volume and average coal selling price of 1.92 and 30.24 percent.

(2.2) Net profit from ethanol business derived from shareholding proportion of the Company was Baht 85.42 million or 15.50 percent of the total net profit, which increased from the same period last year by Baht 1.72 million or 2.05 percent due to the increase in volume and average ethanol selling price by 3.49 and 12.10 percent.

(2.3) Share of income from associated company and other revenue were Baht 51.86 million or 9.41 percent of the total net profit, which decreased from the same period last year by Baht 31.73 million or 37.96 percent due to the decrease in foreign exchange gain and interest received.

Please be informed accordingly.

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

(Mrs. Petcharat Chayanon)
Chief Officer – Accounting and Finance