

**Minutes of the Extraordinary General Meeting of Shareholders No. 1/2013**  
**of**  
**Lanna Resources Public Company Limited**

The Meeting was held on Wednesday, September 18, 2013 at 14:00 hrs, at the Grand Hall Room, 2<sup>nd</sup> Floor, Plaza Athenee Bangkok-A Royal Meridien Hotel, 61 Wireless Road, Lumpini, Pathumwan, Bangkok.

Mr. Somkiart Limsong, the Chairman of the Board, presided as the Chairman of the Shareholders' Meeting, by which he stated that this Shareholders' Meeting had 207 shareholders holding 43,149,091 shares attending the meeting in person and 179 shareholders holding 330,212,403 shares granting proxies to attend the meeting, for a total of 386 persons holding an aggregate amount of 373,361,494 shares or 71.116519 percent of the total paid-up shares with voting right, constituting a meeting quorum, according to the Company's regulations. Accordingly, the Chairman commenced the Extraordinary General Meeting of Shareholders No. 1/2013 and introduced the following directors, executives and the representative of the auditor.

- |                                      |   |
|--------------------------------------|---|
| (1) Mr. Somkiart Limsong             | Chairman of the Board   |
| (2) Mr. Philippe Paul Alexandre Arto | Director  |
| (3) Mr. Tanon Tantisunthorn          | Director  |
| (4) Mr. Padoong Techasarintr         | Independent Director and Audit Committee Chairman   |
| (5) Mr. Adul Tantharatana            | Independent Director and Audit Committee Member   |
| (6) Mrs. Duangkamol Suchato          | Independent Director and Audit Committee Member   |
| (7) Mr. Akasit Jirayuwanon           | Independent Director  |
| (8) Mr. Kraisi Sirirungsi            | Director, Executive Chairman, Chief Executive Officer                                       |
| (9) Mr. Suroj Subhasavasdikul        | Director and Executive Director   |
| (10) Mr. Pilas Puntakosol            | Director, Executive Director, Coal Business Director and Risk Management Committee Chairman |
| (11) Mr. Anun Louharanoo             | Director, Executive Director and Chief Financial Officer                                    |

11 of 14 directors have attended this extraordinary general meeting of shareholders. Three directors were absent due to business obligation, namely, (1) Mr. Paul Heinz Hugentobler, (2) Mr. Vanchai Tosomboon, and (3) Mr. Visit Tantisunthorn.

Before entering upon the meeting agendas procedure and in order to properly conduct the meeting, the Chairman had clarified the rules and practices for voting, voting and vote counting procedures for each of the meeting agenda voting procedure, which could be summarized as follows (details have been provided within the Meeting Invitation):

(1) Voting shall be conducted openly with one share being counted as one vote, with the following procedures.

(1.1) The shareholder attending the meeting in person and the proxy holder both natural person and juristic person with Proxy Form A must vote according to the number of shareholding or as granted by the proxy and cannot divide the votes within each of the agendas. If the voting for each agenda is below or exceeding the number of shareholding or as granted by the proxy or being divided or voting not as specified by the Proxy Form in any agenda, the voting shall be deemed incorrect and all be counted as abstained votes.

(1.2) The proxy holder with Proxy Form B and C must vote according to the remarks that the proxy grantor has specified in the Proxy Form. The Company's staff has written the number of shares or number of votes in the provided voting ballots, to be conducted as follows:

(1.2.1) The proxy holder with Proxy Form B must vote according to the number of shareholding as granted by the proxy and cannot divide the votes within each of the agendas. If the voting for each agenda is below or exceeding the number of shareholding or as granted by the proxy or being divided or voting not as specified by the Proxy Form in any agenda, the voting shall be deemed incorrect and all be counted as abstained votes.

(1.2.2) The proxy holder with Proxy Form C (in the case that the grantor is a foreign investor with appointment of custodian in Thailand as depositary and caretaker of the shares) may divide the voting for each agenda. If the voting in any agenda exceeds the number of shares granted by the proxy or not as specified by the Proxy Form, the voting shall be deemed incorrect and all be counted as abstained votes. If the voting in any agenda is as specified by the Proxy Form but less than the number of shares granted by proxy, all the missing votes shall be counted as abstained votes.

(2) For the voting in any of the meeting agendas, if there are no other different or conflicting opinions from any shareholder, the voting ballot will not be need to be filled out and the particular meeting agenda will therefore be considered as unanimously resolved. On the other hand, if any shareholder has any other or different or conflicting opinion or disagrees with the proposal of the Board of Directors or abstains from the voting, the voting ballot will be filled out for the vote counts. In order for quick vote counting process, only the votes that disapprove and abstain will be counted. Those who do not object or abstain are assumed to be approving of the particular meeting agenda. Therefore, any shareholder who does not approve or abstain on any meeting agenda should raise his/her hand and the Chairman will ask the Company's staff to collect the voting ballots for further vote counting and subsequently notify the resolution to the meeting.

(3) The meeting resolutions for each meeting agenda shall be based on the majority votes, which have been informed within the Meeting Invitation forwarded to the shareholders for each of the meeting agenda. If the voting counts are equal, the Chairman will have the right for a casting vote. In other cases where different laws or Company's regulations apply (if any), the Chairman will inform the shareholders before the voting procedure of the particular agenda.

(4) The shareholder who has any direct stake or interest in any agenda is not allowed to vote in the particular agenda. The Chairman shall inform the shareholder before the voting of the particular agenda.

(5) A vote on a secret poll may be taken when a requisition to that effect has been made by at least 5 shareholders and a resolution to that effect has been passed by the meeting. Every shareholder will fill out the voting ballot and the Chairman will ask the Company's staff to collect and count the votes in order to notify the meeting of the resolution.

(6) If any shareholder or proxy holder with proxy granted from the shareholder wishes to make any comments or additional suggestions, he/she may use the provided microphones by introducing oneself with the first name and last name, and whether he/she is a shareholder or proxy holder.

(7) The whole meeting will be conducted in Thai. If any shareholders wish to speak their concerns, inquiries, and comments, they may do so in Thai, and the Board of Directors will clarify the matter in Thai. Foreign shareholders may proceed as follows: (1) The Company's employee will discuss with the shareholder to take notes of any questions. The questions will then be presented in Thai, and the Board of Directors will answer the questions in Thai. The Company's employee will then translate the answers into English for the shareholder; or (2) The shareholders may provide the questions in writing, and the Board of Directors will reply the questions in writing later on.

(8) The Company has hired Thailand Securities Depository Co., Ltd. to oversee and monitor the vote count of each agenda. The Company's staff shall collect voting ballots containing a barcode

for vote counting. The vote count results shall be displayed on the screens at the left and the right of the meeting room. The Chairman may continue the meeting on the next agenda while waiting for the vote count result of the previous agenda; the voting results shall be presented to the shareholders after the vote counting is finished.

**Subsequently, the meeting was commenced according to the meeting agendas procedure as follows:**

**Agenda No. 1: Approval of the Minutes of the Shareholders' Annual General Meeting Year 2013**

Mr. Somkiart Limsong, Chairman of the Board, proposed to the shareholders' meeting to consider approving the minutes of the Annual General Meeting of Shareholders Year 2013 with information presented as follows:

**Background and Rationale**

The Company convened the Annual General Meeting of Shareholders Year 2013 on Monday, April 22, 2013 during 15:00 hours to 17:25 hours at the at the Grand Hall Room, 2nd Floor, Plaza Athenee Bangkok – A Royal Meridien Hotel, 61 Wireless Road, Lumpini, Pathumwan, Bangkok, according to the attached minutes of the meeting which has been published in the Company's website and forwarded in advance to every shareholder along with the meeting invitation.

**Board of Directors' Opinion**

The Board of Directors has considered that the said minutes of the meeting was correctly recorded in accordance with the resolutions of the shareholders' meeting. Therefore, the Board of Directors proposes that the Minutes of the Annual General Meeting of Shareholders Year 2013 be approved by the shareholders' meeting accordingly.

Afterward, the Chairman provided opportunity for the shareholders to express opinion and make inquiry or suggestion to the Board of Directors concerning with the approval of the minutes of the Annual General Meeting of Shareholders Year 2013.

Mr. Thongchai Lakkhanawisit, shareholder with meeting attendance registration no.124, proposed that it should be more appropriate that the next general meeting of shareholders be held at 15:00 hours like before.

Mr. Anun Louharano, Executive Director and Chief Financial Officer, clarified that the Company would consider the suggestion as appropriate. The reason that this general meeting of shareholder was started at 14:00 hours was due to a suggestion from a shareholder in the previous meeting to start the meeting earlier in order to avoid traffic congestion in the evening.

**Voting Procedure**

The resolution for this meeting agenda shall be based on the majority votes from all the votes of shareholders attending the meeting and casting their votes. If the vote counts are even, the Chairman of the Meeting shall have the right for a casting vote.

**The Shareholders' Meeting** has considered and unanimously resolved to approve the minutes of the Annual General Meeting of Shareholders Year 2013 as proposed above with the following number of votes.

<b>Voting Results</b>	<b>Approved</b>	<b>Disapproved</b>	<b>Abstained</b>
<b>Number of Votes</b>	373,535,595	0	15
<b>Percentage (%)</b>	99.999996	0	0.000004

During the voting of this agenda, there were 413 shareholders attending the meeting, holding a total of 373,535,610 shares or 71.149684 percent of all the issued shares with voting right.

**Agenda No. 2: Approval of the Reduction of Company's Registered Capital from Baht 525,000,000 to Baht 524,999,679 by Writing Off the Unsold Ordinary Shares of 321 Shares at the Par Value of Baht 1 Per Share, totaling Baht 321**

Mr. Somkiart Limsong, Chairman of the Board, proposed to the shareholders' meeting to consider approving the reduction of Company's Registered Capital from Baht 525,000,000 to Baht 524,999,679 by writing off the unsold ordinary shares of 321 shares at par value of Baht 1 per share, totaling Baht 321. The following information was presented for consideration.

**Background and Rationale**

According to the Annual General Meeting of Shareholders 2013 on April 22, 2013, the meeting has resolved to approve the payment of stock dividend of Baht 175,000,000 by issuing new ordinary shares of 175,000,000 shares at Bath 1 per share, resulting in an increase of the registered capital from Baht 350,000,000, consisting of 350,000,000 ordinary shares at the par value of Baht 1 per share, to Baht 525,000,000, consisting of 525,000,000 ordinary shares at the par value of Bath 1 per share. The allocation of the capital increase ordinary shares for such dividend payment has resulted in 321 remaining unallocated shares at the par value of Baht 1 per share, totaling Baht 321.

**Board of Directors' Opinion**

The Board of Directors has resolved that the Shareholders' Meeting should approve the reduction of Company's registered capital from the current Baht 525,000,000 to Baht 524,999,679 by writing off the unsold ordinary shares of 321 shares at the par value of Baht 1 per Share, totaling Baht 321.

**Voting Procedure**

Resolution for this meeting agenda shall require a three-fourths vote of all the votes of shareholders attending the meeting and casting their votes.

**The Shareholders' Meeting** considered and resolved to approved the reduction of Company's Registered Capital from Baht 525,000,000 to Baht 524,999,679 by writing off the unsold ordinary shares of 321 shares at par value of Baht 1 per share, totaling Baht 321 as proposed above with the following number of votes.

<b>Voting Results</b>	<b>Approved</b>	<b>Disapproved</b>	<b>Abstained</b>
<b>Number of Votes</b>	373,538,700	0	15
<b>Percentage (%)</b>	99.999996	0	0.000004

During the voting of this agenda, there were 418 shareholders attending the meeting, holding a total of 373,538,715 shares or 71.150275 percent of all the issued shares with voting right.

**Agenda No. 3: Approval of the Amendment of Article 4 of the Memorandum of Association to Conform to the Registered Capital Reduction**

Mr. Somkiart Limsong, Chairman of the Board, proposed to the shareholders' meeting to consider approving the amendment of Article 4 of the Memorandum of Association to conform to the registered capital reduction. The following information was presented for consideration.

**Background and Rationale**

Pursuant to the reduction of registered capital as presented in Agenda 2 above, Article 4 of the Memorandum of Association must be amended to conform to such registered capital reduction.

**Board of Directors' Opinion**

The Board of Directors has resolved that the Shareholders' Meeting should approve the amendment of Article 4 of the Memorandum of Association in order to conform to such registered share capital reduction as follows.

**Original Statement**

Article 4	The registered capital is only)	525,000,000 Baht	(Five hundred and twenty five million Baht
	divided into	525,000,000 shares	(Five hundred and twenty five million shares)
	at a par value of	1 Baht each	(One Baht only)
	The shares are divided into		
	Ordinary shares	525,000,000 shares	(Five hundred and twenty five million shares)
	Preferred Shares	- shares	( _____ )

**Amended Statement**

Article 4	The registered capital is	524,999,679 Baht	(Five hundred and twenty-four million nine
	hundred and		hundred and ninety-nine thousand six
	divided into	524,999,679 shares	seventy-nine Baht only)
	hundred and		(Five hundred and twenty-four million nine
	at a par value of	1 Baht each	hundred and ninety-nine thousand six
	The shares are divided into		seventy-nine shares)
	Ordinary shares	524,999,679 shares	(One Baht only)
	hundred and		The shares are divided into
	Preferred Shares	- shares	Ordinary shares
			524,999,679 shares
			(Five hundred and twenty-four million nine
			hundred and ninety-nine thousand six
			seventy-nine shares)
			Preferred Shares
			- shares
			( _____ )

**Voting Procedure**

Resolution for this meeting agenda shall require a three-fourths vote of all the votes of shareholders attending the meeting and casting their votes.

The Shareholders' Meeting has considered and resolved to approve the amendment of Article 4 of the Memorandum of Association in order to conform to such registered capital reduction with the following number of votes.

Voting Results	Approved	Disapproved	Abstained
Number of Votes	373,538,700	0	15
Percentage (%)	99.999996	0	0.000004

During the voting of this agenda, there were 420 shareholders attending the meeting, holding a total of 373,541,815 shares or 71.150865 percent of all the issued shares with voting right.

**Agenda No. 4: Approval of the Spin-Off Plan for the Listing of Thai Agro Energy Public Co., Ltd. in the Stock Exchange of Thailand by Initial Public Offering and by Pre-emptive Right of the Shareholders of Lanna Resources Public Co., Ltd., Totaling 296,037,733 Shares**

Mr. Somkiart Limsong, Chairman of the Board, proposed to the shareholders' meeting to consider approving the spin-off plan for the listing of Thai Agro Energy Public Co., Ltd. in the Stock Exchange of Thailand by initial public offering and by pre-emptive right of the shareholders of Lanna Resources Public Co., Ltd., totaling 296,037,733 Shares. The following information was presented for consideration.

**Background and Rationale**

Thai Agro Energy Public Co., Ltd. ("TAE"), a subsidiary company of Lanna Resources Public Co., Ltd. ("Lanna"), wished to list TAE in the Stock Exchange of Thailand and increased its capital for the initial public offering and the offering of shares to shareholders of Lanna by pre-emptive rights. The purpose was to raise the fund required for improvement on the production and the distribution of ethanol for fuel, which was the core business, and also as working capital.

Accordingly, the Board of Directors Meeting No. 5/2013 was proposed with the spin-off plan for the listing of TAE in the Stock Exchange of Thailand by initial public offering and by pre-emptive right of the shareholders of Lanna, in which TAE should increase its capital by issuing new ordinary shares of 200,000,000 shares, and Lanna should sell ordinary shares held by Lanna of 96,037,733 shares, totaling 296,037,733 shares. This transaction was classified as a disposition of assets of a listed company according to the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated August 31, 2008 and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information Concerning the Acquisition and Disposition of Assets of Listed Companies B.E. 2547 dated October 29, 2004. The details of the plan are as follows.

**(1) Date of the Transaction**

The listing of TAE in the Stock Exchange of Thailand by initial public offering (IPO) and by pre-emptive right of Lanna shareholders shall commence after the approval of the IPO and the offering by pre-emptive right of Lanna shareholders by the Securities and Exchange Commission. The transaction is expected within 2014.

**(2) Connected Parties**

Seller: Lanna Resources Public Co., Ltd. ("Lanna") and Thai Agro Energy Public Co., Ltd. ("TAE"), a subsidiary company with ordinary shares held by Lanna of 75.75 percent of paid-up capital before the IPO

Buyer: The public and Lanna shareholders

**(3) General Description of the Transaction**

TAE shall offer 296,037,733 ordinary shares at par value of Baht 1 per share to the public and to Lanna shareholders by pre-emptive right. Also, all ordinary shares in TAE shall be listed in the Stock Exchange of Thailand. As a shareholder of the original shares in TAE, Lanna shall offer the originally held ordinary shares in TAE to the public along with the public offering of the newly issued share of TAE. After the capital increase of TAE and public offering of the ordinary shares in TAE originally held by Lanna, the shareholding proportion of Lanna in TAE will decrease from 75.75 percent to 51 percent of TAE paid-up capital. As a result, the right of Lanna as a shareholder of TAE will be affected by the dilution effect, e.g. the dividend, the voting right, etc. Since the shareholding

proportion will decrease by 32.67 percent, it is classified as a disposition of assets of a listed company according to the Notification of the Capital Market Supervisory Board No. Tor.Jor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated August 31, 2008 and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information Concerning the Acquisition and Disposition of Assets of Listed Companies B.E. 2547 dated October 29, 2004 with highest transaction size calculated by net tangible asset criteria of 9.88 percent of the net tangible assets in the latest reviewed financial statements dated June 30, 2013, with details and calculation bases as follows.

(1) Net Asset Basis	=	$\frac{\text{Net Asset Value of TAE} \times \text{Dilution Effect \%}}{\text{Net Asset Value of Lanna}}$
	=	$\frac{\text{Baht 1,111.92 million} \times 32.67\%}{\text{Baht 3,675.78 million}}$
	=	9.88%
(2) Net Earnings Basis	=	$\frac{\text{Net Earnings of TAE} \times \text{Dilution Effect \%}}{\text{Net Earnings of Lanna}}$
	=	$\frac{\text{Baht 69.03 million} \times 32.67\%}{\text{Baht 345.05 million}}$
	=	6.54%
(3) Value of Consideration Basis	=	$\frac{\text{Offered Value of TAE Ordinary Shares} = \text{Book Value per Share} \times \text{Total Offered Shares \%}}{\text{Total Asset Value of Lanna}}$
	=	$\frac{\text{Baht 1.39 per share} \times 296,037,733 \text{ shares}}{\text{Baht 8,039.65 million}}$
	=	5.12%
(4) Security Value Basis	=	None

**(4) Details of the Disposed Asset**

Security Issuer: Thai Agro Energy Public Co., Ltd. ("TAE")

Security Type: Ordinary shares in TAE

Total Offered Shares: 296,037,733 ordinary shares in TAE, consisting of:

- (1) 200,000,000 newly issued ordinary shares in TAE, or 20 percent of the paid-up capital after the IPO, and
- (2) 96,037,733 ordinary shares in TAE originally held by Lanna, or 9.60 of the paid-up capital after the IPO

The ordinary shares in TAE of 296,037,733 shares shall be offered as follows:

- (1) 191,000,000 ordinary shares in TAE to be offered to the public, or 64.52 percent of the total offered ordinary shares, and
- (2) 105,037,733 ordinary shares in TAE to be offered to Lanna shareholders by pre-emptive right, or 35.48 percent of the total offered ordinary shares

Par Value: Baht 1 per share

**Offer Price:** To be determined after the approval from the Securities and Exchange Commission (SEC) for the tender offer to the public and Lanna shareholders. The offer price shall be the same for both the public and Lanna shareholders.

**Tender Offer Period:** To be determined after the approval from SEC for the tender offer to the public and Lanna shareholders.

**Allocation by Pre-emptive Right:** The general meeting of Lanna shareholders shall be proposed to authorize the Board of Directors of Lanna or a person authorized by the Board of Directors of Lanna to determine the criteria concerning the allocation of the ordinary shares in TAE to the shareholders of Lanna by pre-emptive right – e.g. offer price, allocated proportion, tender offer period, record date, and share book closing date to determine the name list of shareholders entitled to share subscription in TAE, etc. The criteria must not violate the governing law at that time, including but not limited to discussion and execution of agreements, related contracts, and other necessary and appropriate proceedings.

**Other Details:** Lanna shareholders may subscribe the ordinary shares in TAE above their right. Lanna shareholders who subscribe the shares above their right shall receive the portion of the ordinary shares in TAE above their right only if there are ordinary shares in TAE remaining after the completion of the allocation by the pre-emptive right. The allocation is to be conducted as follows:

- (1) If the remaining ordinary shares are more than the shares subscribed above the pre-emptive right, the shares shall be allocated according to the amount subscribed above the right to all buyers who subscribe the shares above their right and have made payments for the shares.
- (2) If the remaining ordinary shares are less than the shares subscribed above the pre-emptive right, the shares shall be allocated according to the shareholding proportion in Lanna of each buyer who subscribe the shares above their right: by multiplying the shareholding proportion in Lanna of each buyer who subscribe the shares above their right with the remaining shares, the results are the amount of shares that each buyer who subscribe the shares above their right shall receive (fractions of shares shall be discarded). The calculation shall continue until there is no shares remaining as Lanna deems appropriate. Accordingly, the amount of the allocated shares will not be more than the amount subscribed and paid by each buyer.

If there are ordinary shares in TAE remaining after the subscription by Lanna shareholders, the Board of Directors of TAE, a person authorized



by the Board of Directors of TAE, or the underwriter shall be authorized to further allocate the remaining ordinary shares in TAE to the public and determine the criteria concerning the offer of the ordinary shares in TAE as appropriate. To ensure that the initial public offering is highly successful, the criteria must not violate the governing law and/or regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand, and/or other related entities.

**(5) Concise Details of the Security Issuer**

Issuing Company: Thai Agro Energy Public Co., Ltd. (“TAE”)  
 Head Office Address: 888/114 Mahathun Plaza Building, 11 Floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok, 10330  
 Type of Business: Ethanol for fuel production and distribution  
 Capital Structure: Registered capital of Baht 800,000,000, consisting of 800,000,000 ordinary shares at the par value of Baht 1 per share. The list of the major shareholders is as follows.

Shareholders of TAE	Number of Shares	Shareholding Proportion (%)
(1) Lanna Resources Public Co., Ltd.	606,037,733	75.75
(2) Mr. Kraisi Sirirungsi	41,500,000	5.19
(3) Mr. Somchit Limwathanagura	35,893,454	4.49
(4) Mr. Bunsin Chaturaphruek	18,132,080	2.27
(5) Mr. Visit Tantisunthorn	17,350,000	2.17
(6) Mrs. Hang Chaturaphruek	16,113,213	2.01
(7) Mrs. Phanni Sisawat	8,100,000	1.01
(8) Forty shareholders with less than 1% shareholding proportions	56,873,520	7.11
Total	800,000,000	100

Board of Directors: The Board consisting of 10 members, namely:

- (1) Mr. Visith Noiphan Chairman of the Board and Independent Director
- (2) Mr. Kraisi Sirirungsi Vice Chairman
- (3) Mr. Suroj Subhasavasdikul Vice Chairman
- (4) Mr. Padetpai Meekun-iam Audit Committee Chairman and Independent Director
- (5) Mr. Virach Aphimeteetamrong Audit Committee Member and Independent Director
- (6) Mr. Satit Chanjavanakul Audit Committee Member and Independent Director
- (7) Mr. Somchit Limwathanagura Director
- (8) Mr. Anun Louharanoo Director
- (9) Mr. Srihasak Arirachakaran Director
- (10) Mr. Somchai Lovisuth Director and Chief Executive Officer

## Summary of Financial Status and Operating Results:

Financial Information (Unit: Million Baht)	2011	2012	6-Month Period of 2013 (Jan – Jun 2013)
Current Assets	226.80	231.52	446.15
Total Assets	2,416.49	4,402.87	2,605.25
Current Liabilities	1,509.46	792.21	1,039.51
Total Liabilities	1,512.47	1,333.35	1,491.08
Issued and Paid-up Capital	800.00	800.00	800.00
Total Shareholders' Equity	904.02	1,069.52	1,114.17
Total Revenue	1,098.81	1,350.87	810.66
Net Earnings (Loss)	(42.90)	165.50	69.03
Net Earnings (Loss) per Share (Baht per Share)	(0.05)	0.21	0.09
Book Value per Share (Baht per Share)	1.13	1.34	1.39

**(6) Total Value of Consideration**

TAE shall offer the ordinary shares in TAE to Lanna shareholders at the same offer price of the public offer of ordinary shares in TAE. The offer price of the ordinary shares in TAE shall be determined after the approval from SEC for the offer of ordinary shares in TAE to the public and Lanna shareholders has been granted.

**(7) Value of the Disposed Assets**

Book value per share of TAE according to the latest reviewed financial statements dated June 30, 2013 is Baht 1.39 per share (at the par value of Baht 1 per share). Therefore, the offered ordinary shares in TAE of 296,037,733 shares will have a book value as per the financial statements dated June 30, 2013 of Baht 411,492,448.87.

**(8) Expected Benefits**

Expected Benefits for Lanna	Expected Benefits for TAE
(1) Reduce financial responsibility of Lanna as a shareholder of TAE in case of financial aids to TAE	(1) The listing of TAE in the Stock Exchange of Thailand allows more fund raising alternatives for TAE in order to increase its competitiveness and business expansions in the future.
(2) Expected earnings from the sale of 96,037,733 ordinary shares in TAE originally held by Lanna	(2) Increase the value and liquidity of the ordinary shares in TAE and provide a market for trading of the ordinary shares in TAE in the future
(3) Increase the value of the investment in TAE, which may be higher than the book value, reflecting the market value	

**(9) Usage Plan of Fund Received from the IPO**

(9.1) As for TAE, the fund raised by the public offering and the sale of shares to the shareholders of Lanna will be used to improve efficiency in the ethanol production and distribution which is a core business, and as a working capital for business operation in the future.

(9.2) As for Lanna, the fund received from the sale of the abovementioned ordinary shares in TAE will be used for business expansions in the future.

**(10) Transaction Conditions**

- (10.1) Lanna Shareholders' Meeting approves the listing of TAE in the Stock Exchange of Thailand, the sale of ordinary shares in TAE originally held by Lanna along with the public offering of TAE ordinary shares, and the capital increase for the public offering of TAE ordinary shares and the offer to Lanna shareholders by pre-emptive right.
- (10.2) TAE Shareholders' Meeting approves the listing of TAE in the Stock Exchange of Thailand and the capital increase for the public offering of ordinary shares in TAE and the offer to Lanna shareholders by pre-emptive right.
- (10.3) TAE registers its capital increase with the Department of Business Development, Ministry of Commerce.
- (10.4) SEC grants approval to TAE for the public offering of ordinary shares in TAE and the offer to Lanna shareholders by pre-emptive right.
- (10.5) The Stock Exchange of Thailand approves the listing of TAE in the Stock Exchange of Thailand.

**(11) Effects from the Offer of Ordinary Share in TAE to Lanna and Lanna Shareholders**

**(11.1) Earning and Control Dilution**

The offer of ordinary shares in TAE to the public and Lanna shareholders of 296,037,733 shares shall affect the right of Lanna as a shareholder of TAE due to the dilution effect by 32.67 percent, e.g. the dividend and voting right. Therefore, ordinary shares in TAE of 105,037,733 shares will be offered to Lanna shareholders by pre-emptive right in order to mitigate such effect.

**(11.2) Price Dilution**

The offered shares are ordinary shares in TAE, and it is expected that the market price of the ordinary shares in Lanna will not be significantly affected. However, the reduction of the shareholding proportion in TAE will affect the realized earnings of Lanna in TAE, a decrease from 75.75 percent to 51 percent of the paid-up capital of TAE. Regardless, TAE still remains a subsidiary company of Lanna.

**Opinion of the Board of Directors of Lanna**

The Board of Directors of Lanna, including three Audit Committee Members, finds that this transaction is reasonable. It will enhance the strength of TAE and allow TAE to be able to raise funds by itself for its expansions in the future. Moreover, the transaction will increase the value of the investment of Lanna in TAE. Accordingly, the Board has unanimously approved the proposal to the general meeting of shareholders to approve the spin-off plan for the listing of TAE in the Stock Exchange of Thailand by initial public offering and by preemptive right of the shareholders of Lanna, totaling 296,037,733 shares, according to the abovementioned details.

Afterward, the Chairman provided opportunity for the shareholders to express opinion and make inquiry or suggestion to the Board of Directors concerning with this agenda.

Mr. Thongchai Lakkhanawisit, shareholder with meeting attendance registration no. 124, inquired about the business of TAE and if a shareholder had 100 shares, how many ordinary shares in TAE will be allocated to the shareholder.

Mr. Kraisi Sirirungsi, Chief Executive Officer, clarified that TAE conducted business in the production and distribution of ethanol for fuel purpose. It had two ethanol production plants in

Dan Chang District, Suphanburi Province – Production Line No. 1 with a production capacity of 150,000 liters per day, and Production Line No. 2 with a production capacity of 200,000 liters per day, totaling 350,000 liters per day, utilizing molasses and cassava as raw materials. Ethanol is a clean fuel used for blending with gasoline at 10, 20 and 85 percent to become E10, E20, and E85 gasohol that can be used by automobiles.

Mr. Anun Louharanoo, Executive Director and Chief Financial Officer, clarified further that concise details of Thai Agro Energy Public Co., Ltd. could be found on the attachment of Agenda No. 4 such as, location of the head quarter, type of business, investment structure, list of major shareholders, list of directors, financial information and operating results since 2011 to the first 6-month period of 2013 which had been sent in advance to every shareholder with this meeting invitation. Regarding the allocation of ordinary shares in TAE for the offering of shares to shareholders of Lanna by pre-emptive right, the proportion for each shareholder could be determined after SEC approved the initial public offering of ordinary shares in TAE and the offering by pre-emptive right. Presumably at the time of offering Lanna had 524,999,679 shares identical to the present, the allocation proportion could be calculated by dividing the number of ordinary shares in TAE of 524,999,679 shares by the number of ordinary shares in TAE of 105,037,733 shares. The result would be that a person with approximately 5 ordinary shares in Lanna would have a right to subscribe 1 ordinary share in TAE. Likewise, if a shareholder had 100 ordinary shares in Lanna, the shareholder would have a right to subscribe 20 ordinary shares in TAE, or approximately 20 percent of ordinary shares in Lanna that the shareholder currently held at the time of such offering of ordinary shares in TAE.

Mr. Atsawin Likhitsap, shareholder with meeting attendance registration no. 305, inquired about an anticipated time period for the execution since the approval of the spin-off plan for the listing of TAE in the Stock Exchange of Thailand by the shareholder's meeting of Lanna until the approval by the Stock Exchange of Thailand to receive the ordinary shares in TAE as a listed securities in the Stock Exchange of Thailand.

Mr. Anun Louharanoo, Executive Director and Chief Financial Officer, clarified that all proceedings until the approval by the Stock Exchange of Thailand to receive the ordinary shares in TAE as a listed securities in the Stock Exchange of Thailand were expected to be completed around early 2014.

Mr. Bunsiri Kaeoaram, shareholder with meeting attendance registration no. 256, inquired about the use by Lanna of the money received from the selling of ordinary shares in TAE originally held by Lanna of 96,037,733 shares.

Mr. Kraisi Sirirungsi, Chief Executive Officer, clarified that Lanna would sell only a portion of ordinary shares in TAE, which was accounted for a small amount of money. After the selling, Lanna would still hold ordinary shares in TAE at 51 of paid-up capital. As for the money received from the selling of the ordinary shares in TAE, it would be invested in business expansion by buying additional new coal concessions.

Mr. Atsawin Likhitsap, shareholder with meeting attendance registration no. 305, inquired whether Lanna would continue to operate TAE's business by holding ordinary shares at 51 percent of paid-up capital, or Lanna would sell all remaining ordinary shares in TAE and use the money to expand the coal business in the future.

Mr. Somkiart Limsong, Chairman, summarized that Lanna would sell only a portion of ordinary shares in TAE, which was account for a small amount of money. Lanna would still be a major shareholder in TAE, holding ordinary shares at 51 percent of paid-up capital, and would continue to operate TAE's business. The money received from the selling of the ordinary shares in TAE would be invested in business expansion by buying additional new coal concessions. Lanna had a continuous plan for coal business expansion.

Mr. Thongchai Lakkhanawisit, shareholder with meeting attendance registration no. 124, inquired that other than gasohol, what other products that ethanol could be produced from ethanol were.

Mr. Kraisi Sirirungsi, Chief Executive Officer, clarified that ethanol could be used as raw material for downstream industries in forms of ethanol derivatives which had higher market potential in the future, such as, acetic acid and ethyl acetate.

Mr. Bunsiri Kaeoaram, shareholder with meeting attendance registration no. 256, inquired if the production plants of TAE could produce ethanol for the whole year since ethanol production required agricultural products as raw material – sugar cane, which was a seasonal product.

Mr. Kraisi Sirirungsi, Chief Executive Officer, clarified that TAE could produce ethanol for the whole year. The raw material was purchased at its season and was kept in inventory in advance adequately for production of the whole year.

### **Voting Procedure**

The resolution for this meeting agenda shall be based on the majority votes from all the votes of shareholders attending the meeting and casting their votes. If the vote counts are even, the Chairman of the Meeting shall have the right for a casting vote.

**The Shareholders' Meeting** considered and resolved to approve the spin-off plan for the listing of TAE in the Stock Exchange of Thailand by initial public offering and by pre-emptive right of the shareholders of Lanna, totaling 296,037,733 Shares. The matter was approved with the following number of votes.

<b>Voting Results</b>	<b>Approved</b>	<b>Disapproved</b>	<b>Abstained</b>
<b>Number of Votes</b>	374,142,397	0	15
<b>Percentage (%)</b>	99.999996	0	0.000004

During the voting of this agenda, there were 425 shareholders attending the meeting, holding a total of 374,142,412 shares or 71.265265 percent of all the issued shares with voting right.

### **Agenda No. 5: Approval of the Allocation of Ordinary Shares in Thai Agro Energy Public Co., Ltd. of 105,037,733 Shares or 35.48 Percent of the Ordinary Shares in the Initial Public Offering to the Shareholders of Lanna Resources Public Co., Ltd. for Subscription by Pre-Emptive Right**

Mr. Somkiart Limsong, Chairman of the Meeting, proposed to the shareholders' meeting to consider approving the allocation of ordinary shares in Thai Agro Energy Public Co., Ltd. (TAE) of 105,037,733 shares or 35.48 percent of the ordinary shares in the initial public offering to the shareholders of Lanna Resources Public Co., Ltd. (Lanna) for subscription by pre-emptive right, with information presented as follows.

#### **Background and Rationale**

According to the spin-off plan of Thai Agro Energy Public Co., Ltd. ("TAE"), a subsidiary company of Lanna Resources Public Co., Ltd. ("Lanna"), for listing in the Stock Exchange of Thailand by the initial public offering (IPO) of TAE of 296,037,733 ordinary shares at the par value of Baht 1 per share, totaling Baht 296,037,733 or 29.60 percent of the paid-up capital after the IPO, having details as presented in the Agenda No. 4 above, the shareholding proportion of Lanna in TAE will decrease from 75.75 percent to 51 percent of paid-up capital after the IPO, and as a result the right of Lanna as the shareholder in TAE will be affected by the dilution effect such as profit sharing and/or voting rights, etc. which will be decreased by 32.67 percent. Therefore, in order to protect the right of Lanna's shareholders, 105,037,733 ordinary shares in TAE or 35.48 of total ordinary shares in the IPO, shall be allocated for share subscription rights by Lanna's shareholders by

their pre-emptive right according to their shareholding proportion. This can reduce the dilution effect against Lanna's shareholders to a certain degree. The price offered shall be the same as the IPO price, and shall be determined after the Securities and Exchange Commission of Thailand (SEC) has approved the IPO of TAE and to shareholders of Lanna by pre-emptive right. Accordingly, it is proposed that the Shareholders' Meeting of Lanna authorize the Board of Directors of Lanna and/or a person authorized by the Board of Directors of Lanna to determine the criteria and other details concerning the allocation of the ordinary shares in TAE to the shareholders of Lanna by pre-emptive – e.g. offer price, allocated proportion, offer period, the record date and share book closing date to determine the name list of Lanna's shareholders entitled to the share subscription of TAE, etc. Nonetheless, the criteria and other details must not violate the governing law at that time, including but not limited to discussion and execution of agreements and related contracts, and other necessary and appropriate proceedings.

However, Lanna would not be able to allocate all of the 296,037,733 ordinary shares proposed for IPO to Lanna's shareholders by pre-emptive right since Lanna and TAE would like to expand the investor base for the benefit of fund raising in the future as well as providing alternatives for new investors for direct investment in TAE.

#### **Board of Directors' Opinion**

The Board of Directors has resolved that the Shareholders' Meeting should approve the allocation of ordinary shares in Thai Agro Energy Public Co., Ltd. of 105,037,733 shares or 35.48 percent of the ordinary shares in the initial public offering to the Shareholders of Lanna Resources Public Co., Ltd. for subscription by pre-emptive right, which should reduce the impact of dilution effect, according to details above.

#### **Voting Procedure**

The resolution for this meeting agenda shall be based on the majority votes from all the votes of shareholders attending the meeting and casting their votes. If the vote counts are even, the Chairman of the Meeting shall have the right for a casting vote.

**The Shareholders' Meeting** considered and resolved to approve the allocation of ordinary shares in Thai Agro Energy Public Co., Ltd. (TAE) of 105,037,733 shares or 35.48 percent of the ordinary shares in the initial public offering to the shareholders of Lanna Resources Public Co., Ltd. (Lanna) for subscription by pre-emptive right, with details as presented above. The shareholders' meeting has authorized the Board of Lanna or a person authorized by the Board of Lanna to determine the criteria concerning the allocation of the ordinary shares in TAE to the shareholders of Lanna by pre-emptive right – e.g. offer price, allocated proportion, offer period, record date, and share book closing date to determine the name list of shareholders entitled to share subscription in TAE, etc. The criteria must not violate the governing law at that time, including but not limited to discussion and execution of agreements, related contracts, and other necessary and appropriate proceedings. The matter was approved with the following number of votes.

<b>Voting Results</b>	<b>Approved</b>	<b>Disapproved</b>	<b>Abstained</b>
<b>Number of Votes</b>	374,142,538	0	15
<b>Percentage (%)</b>	99.999996	0	0.000004

During the voting of this agenda, there were 428 shareholders attending the meeting, holding a total of 374,142,553 shares or 71.265292 percent of all the issued shares with voting right.

**Agenda No. 6: Approval of the Sale of Ordinary Shares in Thai Agro Energy Public Co., Ltd. Originally Held by Lanna Resources Public Co., Ltd. of 96,037,733 Shares, to be Offered Together with the Initial Public Offering of Newly Issued Capital Increase Ordinary Shares of Thai Agro Energy Public Co., Ltd.**

Mr. Somkiart Limsong, Chairman of the Meeting, proposed to the shareholders' meeting to consider approving the sale of ordinary shares in Thai Agro Energy Public Co., Ltd. (TAE) originally held by Lanna Resources Public Co., Ltd. (Lanna) of 96,037,733 shares, to be offered together with the initial public offering of newly issued capital increase ordinary shares of TAE. The information presented was as follows:

**Background and Rationale**

According to the spin-off plan of Thai Agro Energy Public Co., Ltd. ("TAE"), a subsidiary company of Lanna Resources Public Co., Ltd. ("Lanna"), for listing in the Stock Exchange of Thailand by the initial public offering (IPO) of TAE, having details as presented in the Agenda No. 4 above, Lanna wishes to sell its ordinary shares in Thai Agro Energy Public Co., Ltd. originally held by Lanna of 96,037,733 shares at the par value of Baht 1 per share, totaling Baht 96,037,733, to be offered together with the public offering of newly issued capital increase ordinary shares of TAE at the same price as the offer price of the IPO, which will be determined after the Securities and Exchange Commission of Thailand has approved the IPO of TAE's ordinary shares. Accordingly, it is proposed that the Shareholders' Meeting of Lanna authorize the Board of Directors of Lanna and/or a person authorized by the Board of Directors of Lanna to determine the criteria and other details concerning the allocation and sale of such ordinary shares in TAE, including but not limited to discussion and execution of agreements and related contracts, and other necessary and appropriate proceedings.

**Board of Directors' Opinion**

The Board of Directors has resolved that the Shareholders' Meeting should approve of the sale of ordinary shares in Thai Agro Energy Public Co., Ltd. originally held by Lanna Resources Public Co., Ltd. of 96,037,733 shares, to be offered together with the initial public offering of newly issued capital increase ordinary shares of Thai Agro Energy Public Co., Ltd., according to the details above.

Afterward, the Chairman provided opportunity for the shareholders to express opinion and make inquiry or suggestion to the Board of Directors concerning with this agenda.

Mr. Narong Phuttharaksa, shareholder with meeting attendance registration no. 189, inquired if Lanna could purchase the ordinary shares in the initial public offering.

Mr. Anun Louharanoo, Executive Director and Chief Financial Officer, clarified that as an original shareholder of TAE, Lanna would not be allocated the capital increase ordinary shares during the initial public offering. Regardless, Lanna would still be a major shareholder of TAE, holding 51 percent of shares after the IPO.

Mr. Sarabjit Singh Gurati, shareholder with meeting attendance registration no. 232, inquired if Siam City Cement Public Co., Ltd. (SCCC), a major shareholder of Lanna, would have the right to purchase the capital increase ordinary shares in TAE, and whether or not SCCC would waive their right to purchase the allocated ordinary shares in TAE.

Mr. Anun Louharanoo, Executive Director and Chief Financial Officer, clarified that every shareholder in Lanna would have the right to purchase the capital increase ordinary shares in TAE by pre-emptive right. As a result, SCCC would also have such right. Whether or not SCCC would waive the right to purchase the allocated ordinary shares in TAE was the discretion of SCCC.

### **Voting Procedure**

The resolution for this meeting agenda shall be based on the majority votes from all the votes of shareholders attending the meeting and casting their votes. If the vote counts are even, the Chairman of the Meeting shall have the right for a casting vote.

**The Shareholders' Meeting** considered and resolved to approve the sale of ordinary shares in TAE originally held by Lanna of 96,037,733 shares, to be offered together with the initial public offering of newly issued capital increase ordinary shares of TAE. Accordingly, the shareholders' meeting authorized the Board of Directors of Lanna and/or a person authorized by the Board of Directors of Lanna to determine the criteria and other details concerning the allocation and sale of such ordinary shares in TAE, including but not limited to discussion and execution of agreements and related contracts, and other necessary and appropriate proceedings. The matter was approved with the following number of votes.

<b>Voting Results</b>	<b>Approved</b>	<b>Disapproved</b>	<b>Abstained</b>
<b>Number of Votes</b>	374,147,597	0	15
<b>Percentage (%)</b>	99.999996	0	0.000004

During the voting of this agenda, there were 440 shareholders attending the meeting, holding a total of 374,147,612 shares or 71.266255 percent of all the issued shares with voting right.

### **Agenda No.7: Consideration of Other Matters**

Mr. Somkiart Limsong, Chairman, provided an opportunity for the shareholders to make inquiries or give suggestions to the Board of Directors concerning the operations of the Company, if any.

Mr. Thirayut Phuethanyakit, shareholder with meeting attendance registration no. 314, inquired about competitive trends of coal business of Lanna, and ethanol business of TAE.

Mr. Kraisi Sirirungsi, Chief Executive Officer, summarized as follows:

(1) Regarding coal business, the core business of Lanna, the global coal prices remain low due to large excess supply, causing many coal business operators to cease operation. According to coal business analyses from various institutions, coal demand is expected to rise every year. However, the demand would still be lower than the supply in 2014, and it is anticipated that the supply would start to be lower than the demand in 2015 as the global economic situation improves. Regardless, the operating result in coal business of Lanna is considered satisfactory when compared with the operating results of other companies in the same industry.

(2) As for the ethanol-for-fuel business, a diversified business of the Company, the operating results in the past years are usually of the opposite of the coal business; that is, if the operating result of coal business is good, the operating result of ethanol business is not good, and vice versa. Thus, both businesses are complimentary, resulting in good overall operating result of Lanna. If both businesses have good operating results, Lanna would enjoy considerable growth in the future. As for the risks involved, the ethanol production has two major risks. Firstly, the profit in ethanol business depends on the raw material price—molasses and cassava, which are agricultural product relying on the climate and seasons. The raw material is accounted for 70 to 80 percent of the overall ethanol production cost. If the raw material yield is abundant for the year, the price would be low, and TAE would have good profit. On the contrary, if the yield is low, the price would be high, and TAE would have low profit or even loss. At the present, the prices of agricultural products are in decline with many petitions for government's price intervention. In 2014, it is expected that the sugar cane yield would increase to 110 million tons, which is more than the yield in 2013 by 10 percent. Accordingly, the price of molasses in 2014 should be less expensive. Secondly, the profit in ethanol



business also depends on the selling price of ethanol, which derives from the supply and demand of ethanol in the market and the national energy policy. Currently, the government has discontinued the usage of Gasoline 91, causing an increase in ethanol demand from 1.20 million liters per day to 2.5 - 2.6 million liters per day. Also, the Gasohol E85 is increasingly in high demand. In summary, as the sugar cane yield is expected to increase in 2014, the price of molasses in 2014 should be cheaper. With the increasing ethanol demand, the operating results of TAE in 2014 should be good.

Mr. Suksan Pitahotara, shareholder with meeting attendance registration no. 161, inquired who the major customers of TAE were and if more customers could be pursued.

Mr. Kraisi Sirirungsi, Chief Executive Officer, clarified that TAE was one of pioneer ethanol producers that utilize high technology in ethanol production. The quality of the produced ethanol was reliable, and it was trustworthy among customers. Customers of TAE included every major oil companies. Currently, TAE could sell all of its produced ethanol; there was no problem concerning the marketing.

Mr. Bunsiri Kaeoaram, shareholder with meeting attendance registration no. 256, inquired if Lanna had any plan to operate any other alternative energy businesses.

Mr. Somkiart Limsong, Chairman, clarified that at this time Lanna would focus on the coal business, the core business that Lanna had expertise. With limited capital, Lanna needed to prioritize investments on businesses in which Lanna was proficient. Opportunities might be lost if there were investments in other businesses, and the coal business still had many opportunities for growth.

Mr. Atsawin Likhitsap, shareholder with meeting attendance registration no. 305, suggested that he noticed that shareholders only occupied half of the room at every shareholder's meeting, and the Company should hold a meeting in a smaller room to decrease the cost.

Mr. Anun Louharanoo, Executive Director and Chief Financial Officer, clarified that the Company agreed with the shareholder's suggestion and endeavored to minimize the cost. However, the Company could not estimate how many shareholders would come to the meeting. According to the last book closing date, Lanna had increasingly more shareholders; from 5,329 shareholders at the Annual General Meeting of Shareholders Year 2013 to 6,030 shareholders at this meeting. Regardless, the Company had prepared the venue for 400 persons, which was the same as the previous meeting. The Company always considered the increasing number of shareholders and prioritized on minimizing the cost.

Mr. Atsawin Likhitsap, shareholder with meeting attendance registration no. 305, inquired about a rumor concerning the coal reserve of Indonesia that it would last for only 20 to 30 years, and this would affect coal business operators in Indonesia in the future. The shareholder asked for comments on this matter.

Mr. Kraisi Sirirungsi, Chief Executive Officer, summarized that considering the global supply and demand of coal, it was clear that although Indonesia was a major coal exporter, the coal reserve was still abundant and would not expire in time as the mentioned rumor.

Mr. Nara Sriphet, shareholder with meeting attendance registration no. 264, inquired about two questions as follows.

- (1) How experienced was TAE in ethanol business? What was their risk management?
- (2) Due to current fluctuation in coal prices, did Lanna have any risk management concerning this matter?

Mr. Kraisi Sirirungsi, Chief Executive Officer, clarified which can be summarized as follows.

(1) TAE was the pioneer in ethanol business producing ethanol utilizing high technology from France and its quality has been trusted by the customers. TAE was considered an expert in this business. Currently, TAE was able to sell all ethanol it produced. There were two major risk factors including the cost of raw material, molasses, and ethanol sale price as described above. These risks were carefully managed according to the circumstances. TAE's operating results showed that good profit can be achieved.

(2) Lanna's core business was in coal production and had been in this business for a long time; therefore, it had gained expertise and managed the business with prudence and caution according to the global coal price trend which fluctuates with global economic situation. Accordingly, its operating results had been good and profitable having the following business operation and strategies.

(2.1) Selective mining method had been employed, choosing to mine coal with quality that can achieve the highest profit margin. The least amount of coal is being mined, attempting to preserve the coal reserve but obtaining the highest profit margin according to existing and various coal qualities and specifications.

(2.2) Since coal deposits consisted of variety of coal qualities, coal products could be blended from different coal deposits to achieve variety of coal specifications for the best profit margin at the lowest cost.

(2.3) Due to current decline of global coal pricing, investment in expansion of coal mining areas or development for each of the coal concessions had been delayed. Good financial management had also been emphasized. Currently, Lanna had no debt. With good liquidity and substantial cash on hand being reserved for investment and acquisition of additional coal concessions, financial cost and interest should be significantly reduced. As for a financial risk guarantee or hedging with financial institutions, considerations were based on coal pricing trend. If it is not worth it, then it was not conducted as the annual coal production was only about 6 to 7 million metric tons per year, of which coal sale contracts were normally performed in advance during high coal pricing period.

Mr. Narong Phuttharaksa, shareholder with meeting attendance registration no. 189, offered and made inquiry on the following three viewpoints.

(1) Currently, global situation had changed significantly which might have an impact on coal demand in long term, which might not be increased as coal was viewed as dirty fuel with much opposition especially from environmental protection and conservation groups or "Green" groups in short. Besides, there were a number of countries such as the United States of America that possessed a number of undeveloped coal deposits. Therefore, observation was that there might not be any increase in coal demand in the future and no one knew for certain when coal prices would be improved.

(2) Modern technology had now been utilized in the power plants which could protect the environment from pollution from coal-fired power plants. Should this factor increase the demand of coal for use in the coal-fired power plants?

(3) As acknowledged that Thailand still had much excess supply of ethanol over the demand of ethanol which should continue to impact ethanol selling prices.

Mr. Kraisi Sirirungsri, Executive Chairman, made the following comments for clarification of the three viewpoints above.

(1) As learned that several research institutions had studied and forecasted that the coal demand would increase by tens of millions of tons every year until the excess supply disappears. It was expected that coal demand would exceed coal supply by year 2015. Currently, there are a number of countries requiring more use of coal such as India and Japan. Especially Japan was

terminating or decommissioning the use of nuclear power plants and instead turning to coal-fired power plants. Although coal demand in China had become stable as the new government did not focus much on stimulating its economy but China was a major coal user with large coal demand annually. It was expected that coal demand in the future would increase annually which might increase coal prices.

(2) Currently, more of high technology had been developed to help alleviate pollution problem from using coal as fuel for electricity generation due to the fact that coal was the most abundant source of energy and it cost over 50% less than that of oil or other fuel sources. Therefore, it was considered feasible to invest and develop modern technology to reduce pollution from the use of coal as fuel source. It was expected that coal would be utilized as fuel in several industries especially in the power and electricity generation, which should increase the price of coal in the future.

(3) Even though Thailand still had much excess supply of ethanol than the demand or requirement for ethanol, it did not affect the ethanol production and distribution of TAE as TAE being the pioneer in this ethanol business, having produced high quality ethanol using modern technology machinery and equipment that customers had trusted. Currently, TAE was able to sell all ethanol that it produced, having no marketing problem, as describe earlier. In 2012, TAE's profit was in good standing and should continue in 2013 and subsequent years.

Afterward, the Chairman inquired whether any person had any other matters for further consideration.

It appeared that there was no one proposing any other matter for consideration.

Therefore, the Chairman had expressed his appreciation to all the Shareholders for attending the Meeting and for all the suggestions received from the shareholders during this Meeting, by which the Board of Directors shall use them for consideration of future implementation.

The Chairman then declared the meeting closed. At the closing, there were 234 shareholders attending the meeting in person, holding a total of 43,253,629 shares; and 207 shareholders attending the meeting by proxy, holding a total of 330,893,984 shares. The total number of attending shareholders was 441 persons, holding a total of 374,147,613 shares, or 71.266256 percent of the total paid-up shares with voting right.

The meeting was closed at 15.30 hrs.

(Mr. Somkiart Limsong)

Chairman of the Meeting

(Mr. Anun Louharano)

Secretary to the Meeting