

Ref. No. 0255/13

February 27, 2012

Subject : Clarification on the Operating Result of Year 2011
Attn : President
The Stock Exchange of Thailand

The company wishes to report on the Company's Operating Result of Year 2011, which can be summarized as follows.

The Company's net profit in 2011 was Baht 1,043.40 million (net earnings of Baht 2.98 per share). When compared with the previous year with the net profit of Baht 674.66 million (net earnings of Baht 1.93 per share), the net profit increased by Baht 368.74 million (an increase of net earnings per share of Baht 1.05 per share) or an increase of 54.66 percent due to the following reasons.

(1) Net profit from the coal business in 2011 was Baht 911.20 million or 87.33 percent of the total net profit, which increased from the previous year by Baht 326.69 million or an increase of 55.89 percent, This was due to an increase in coal sales volume from the previous year by 25.20 percent, and average coal sales price increased from the previous year by 18.54 percent.

(2) Net loss from the ethanol business in 2011 was Baht 33.10 million, which decreased from the previous year by Baht 38.71 million or a decrease of 53.91 percent, This was due to an increase in ethanol sales volume from the previous year by 38.38 percent, despite the decrease in average ethanol sale price of 2.72 percent.

(3) Net share of income from investment in the associated company and other revenue in 2011 were Baht 165.30 million or 15.84 percent of the total net profit, which increased from the previous year by Baht 3.34 million or an increase of 2.06 percent, due to an increase interest income.

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