



Ref. 0959/57E

September 9, 2016

Subject: Shareholders' Rights to Propose the Agenda Items for the Shareholders' Meeting and Nomination of Qualified Candidates for Director Positions in Advance

Attn: President  
The Stock Exchange of Thailand

The Company wishes to forward the procedures regarding the rights of the shareholders to propose agenda items for the shareholders' meeting and nomination of qualified candidates for director positions in advance for the Annual General Meeting of Shareholders to be held in year 2017, in both Thai and English version for one copy each, which will be disseminated on the Company's website ([www.lannar.com](http://www.lannar.com)) from September 16, 2016 onward.

Please be informed accordingly,

Yours faithfully,

For and on behalf of Lanna Resources Public Company Limited

(Mr. Saharat Vatanatumrak)  
Company Secretary

**PROCEDURES**  
**SHAREHOLDERS' RIGHTS TO PROPOSE AGENDA ITEMS FOR THE SHAREHOLDERS' MEETING**  
**AND**  
**NOMINATION OF QUALIFIED CANDIDATES FOR DIRECTOR POSITIONS IN ADVANCE**  
**FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS YEAR 2017**

**(A) Policy on Equitable Treatment to Shareholders**

Lanna Resources Public Company Limited has a policy to ensure equal treatments for all shareholders, especially the minority shareholders. One of the measures is to provide the minority shareholders with the right to propose agenda items for the Annual General Meeting of Shareholders and nomination of qualified candidates for director positions in advance. The established procedures herewith are the rights given to the shareholders in addition to any rights that the shareholders may have under the Company's Articles of Association and other applicable laws and regulations.

**(B) Objectives**

In order to follow the principles of good corporate governance, the Company wishes to promote the followings:

- To provide opportunity and make it convenient for the minority shareholders to propose additional meeting agenda items in advance before the meeting of shareholders.
- To provide opportunity and open channel for the minority shareholders to propose for the nomination of qualified candidate for the director positions of the Company.

**(C) Procedures or Criteria for the Proposal of Agenda Items**

**(1) Minimum Shareholding Requirement for Eligibility to Propose Agenda Items**

A shareholder or combined number of shareholders with shareholding of no less than 0.50 percent of the total number of voting rights of the Company have the right to propose the agenda items (the Company's current registered capital which are all ordinary shares with voting right of 525 million shares (in round figure); therefore, the minimum shareholding of 0.50 percent of the total number of voting rights of the Company is equivalent to 2.625 million shares)

**(2) Details of Supporting Data Required for the Proposed Agenda Item**

(2.1) Contact name, address and telephone number of the shareholder(s) proposing the agenda item.

(2.2) Number of shareholding, which is not less than the criteria stated in (1) above.

(2.3) Objectives of the proposed item in order to inform whether the agenda item is proposed for approval or for consideration, etc.

(2.4) Details relating to the proposed item, e.g., facts, reasons and main issues to be considered.

(2.5) Additional information or data that the shareholders deem necessary and appropriate for consideration or decision.

**(3) Minimum Information Required for Proposing for Nomination of the Qualified Candidate for the Director Position**

(3.1) Curriculum vitae or information of the proposed person for board member appointment.

(3.1.1) Background information such as the name, age, nationality, working experience, education, Company's shareholding, etc.

(3.1.2) Working position in the business competing with the Company or business connected with the Company's business which is considered significant (if any) such as customer, raw material supplier, etc., in order to determine whether the person has any conflict of interest being the board member of the Company.

(3.2) Type of member for the appointment such as for the audit committee member, independent director, chairman of the board, authorized director, etc.

(3.3) Written consent from the person being proposed for director appointment

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(3.4) In the case of proposing a person for appointment as an independent director, the person must possess the following qualifications.

(3.4.1) Holding shares not more than one percent of all shares with voting rights of the Company, holding company, subsidiary company, associated company or juristic person with possible conflict, which shall be inclusive of the shares held by related persons of the such person proposed for the appointment.

(3.4.2) Not being or used to be the director who takes part in the management of the Company, or an employee, staff member or advisor who receives a regular salary or is a controlling person of the Company, holding company, subsidiary company, associated company, subsidiary company of the same level or juristic person with possible conflict, except having been out of the above position for at least two years prior to the appointment.

(3.4.3) Not being a person who is related by blood or legally registered as parent, spouse, sibling and child including a child's spouse, to any management member, major shareholder, controlling person or the person whom has been proposed to become the management member or controlling person of the Company or subsidiary company.

(3.4.4) Not having or used to have business relationship with the Company, holding company, subsidiary company, associated company or juristic person with possible conflict in a way which may prevent independent judgment, as well as not being or used to be the major shareholder, non-independent director or management member of the entity having business relationship with the Company, holding company, subsidiary company, associated company or juristic person with possible conflict, except having been out of the above position for at least two years prior to the appointment.

(3.4.5) Not being or used to be the auditor of the Company, holding company, subsidiary company, associated company or juristic person with possible conflict and not being the major shareholder, non-independent director or management member or managing partner of the audit firm with staff being the auditor of the company, holding company, subsidiary company, associated company or juristic person with possible conflict, except having been out of the above position for at least two years prior to the appointment.

(3.4.6) Not being or used to be the service provider in any professions including legal advisor or financial advisor receiving service fee exceeding Baht 2 million per year from the Company, holding company, subsidiary company, associated company or juristic person with possible conflict. Nevertheless, in the case of the professional service provider being a juristic person, the consideration shall also extend to the major shareholder, non-independent director, management member or managing partner of such professional service provider, except having been out of the above position for at least two years prior to the appointment.

(3.4.7) Not being the representative of the Company's director, major shareholder or shareholder whom is related to the major shareholder of the Company.

(3.4.8) Having no other characteristics which may prevent from giving independent opinions concerning with the business operation of the Company.

(3.5) In the case of proposing a person for appointment as an audit committee member, the person must possess the following qualifications.

(3.5.1) must have qualifications as an independent director according to (3.4) above.

(3.5.2) must not be a director assigned to make decision in the business operation of the Company, holding company, subsidiary company, associated company, subsidiary company of the same level or juristic person with possible conflict, except the decision is in the form of collective decision.

(3.5.3) must not be a director of the holding company, subsidiary company or subsidiary company of the same level, particularly of the listed company.

(3.5.4) Having sufficient knowledge and experience to perform duties as the audit committee member.

#### **(4) Channels for Submitting the Proposed Agenda Items**

(4.1) The shareholder must propose the agenda items in writing and forwarded by mail or facsimile to the Company Secretary or;

(4.2) Submit through the Company's website for initial notification before sending official letter to the Secretary of the Company for proposing to the Board of Directors' consideration to include in the shareholders' meeting agenda.

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Send to: Mr. Saharat Vatanatumrak  
Company Secretary  
Lanna Resources Public Company Limited  
888/99 Mahathun Plaza Building, 9<sup>th</sup> Floor, Ploenchit Road  
Lumpini, Pathumwan, Bangkok 10330  
E-mail: [saharat@lannar.com](mailto:saharat@lannar.com)  
Tel.: (66) 02 253 8080 Ext. 193, Fax: (66) 02 253 6822

**(5) Submission Period**

From October 1, 2016 through December 31, 2016

**(6) The Board of Directors shall not consider or include the following items into the shareholders' meeting agenda.**

(6.1) Matter that is beyond the authority of the Company or the Board of Directors.

(6.2) Matter that concerns with ordinary course of business of the Company and the facts as referred by the shareholder do not demonstrate any cause for suspicion concerning abnormality of such matter.

(6.3) Matter that have already been proposed to the shareholders' meeting by the shareholders during the past 12 months and was voted in favor by less than 10 percent of the total number of voting rights of the Company, and the facts have not changed significantly from the previous proposal.

(6.4) Matter proposed by the shareholder without adequate data and information or noncompliance with the above criteria set by the Company.

(6.5) Other matters that the Board of Directors deem unnecessary for inclusion in the meeting agenda (of which the Board of Directors of the Company shall clarify the reason and explanations to the shareholders accordingly).

**(D) The Process by the Board of Directors after Receiving Proposal from the Shareholders**

(1) Board of Directors' Meeting to consider the matters proposed by the shareholders

The matters proposed by the shareholders according to (C) above shall be presented to the Board of Directors for consideration at the next meeting after the closing of submission period, of which this Board of Directors' Meeting will be arranged within March 2017.

(2) Inclusion of the proposed items by the Shareholder as additional meeting agenda

(2.1) The matter, which the Board of Directors has considered appropriate and should be included in the meeting agenda, shall be in the shareholders' meeting invitation, and opinion of the Board of Directors shall mention that such agenda has been proposed by the shareholders.

(2.2) The matter, which the Board of Directors has considered not to include in the meeting agenda, shall be informed to the shareholders with reasons on the Company's website, including disclosure of the above information through the channels of the Stock Exchange of Thailand before the meeting and the shareholders shall be informed again during the shareholders' meeting.

(2.3) In the event that the shareholders' meeting has resolved with majority of votes of the total number of shareholders attending the meeting with voting rights to approve for inclusion of the matter proposed by the shareholders above in (2.2) as the meeting agenda of the shareholders' meeting, the Company's Board of Directors shall include such matter as the meeting agenda for the subsequent shareholders' meeting.

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