

Ref. No. 0961/53E

September 17, 2018

Subject: Notification on the Capital Increase of the Subsidiary Company in Indonesia

Attn: President  
The Stock Exchange of Thailand

The Board of Directors' Meeting No. 5/2018 of Lanna Resources Public Co., Ltd. ("LANNA") dated September 17, 2018, has resolved as follows (referring to an exchange rate of 1 Indonesian Rupiah ("IDR") to 0.0022 Thai Baht ("THB")):

(1) Approval for PT. Singlurus Pratama ("SGP"), the subsidiary company in Indonesia, which LANNA holds 65 percent of the paid-up capital, to increase its registered capital from 7,950 shares with a par value of IDR 1,000,000 per share, totaling IDR 7,950,000,000 or approximately THB 17,490,000, to become 10,500 shares with a par value of IDR 1,000,000 per share, totaling IDR 10,500,000,000 or approximately THB 23,100,000, by means of issuance of 2,550 ordinary shares with a par value of IDR 1,000,000 per share, totaling IDR 2,550,000,000 or approximately THB 5,610,000, by allocating new shares to the existing shareholders of SGP at a ratio of 795 existing shares for a newly issued shares of 255 shares with a par value of IDR 1,000,000 per share with a one-time full payment after SGP has received approval from the government of Indonesia to increase its registered capital for business operation of coal mining concession in Indonesia.

(2) Approval for LANNA to exercise the right to subscribe for the newly issued shares of SGP as allocated at 1,657 shares with a par value of IDR 1,000,000, totaling IDR 1,657,000,000 or approximately THB 3,645,400, to maintain shareholding proportion of 65 percent of the paid-up capital in SGP. This transaction is not a connected transaction and not within the scope of transaction concerning the acquisition and disposition of assets of listed companies in accordance with the regulations prescribed by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand, having the transaction size based on the total value of consideration at 0.04 percent of total asset according to the latest reviewed consolidated financial statements as at June 30, 2018.

Please be informed accordingly.

Yours faithfully,

For and on behalf of Lanna Resources Public Company Limited



(Mr. Saharat Vatanatumrak)  
Company Secretary