

[Translation]

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8 January 2008

To : President
The Stock Exchange of Thailand

Re.: Padaeng Industry update of the subsidiaries and the jointly controlled entity

The Company would like to inform to the Stock Exchange of Thailand the update information of the jointly controlled entity and the subsidiaries as follows:

Jointly controlled entity

1. Maesod Clean Energy Co.,Ltd., in September 2007 called for additional subscriptions of 10,000,000 shares capital at 5 Baht per share. It should be noted that the authorised shares capital are 10,000,000 shares with par value at Baht 10 per share and has been fully paid-up.

On 19 September 2007, the shareholders at the Extraordinary Shareholders' Meeting passed a resolution to approve an increase in the authorised share capital of Maesod Clean Energy Co., Ltd. from 10,000,000 ordinary shares with a par value of Baht 10 per share to 67,500,000 ordinary shares with a par value of Baht 10 per share.

Subsidiaries

1. Padaeng Industry (Laos) Co., Ltd., as at 31 December 2006, Padaeng Industry Plc. paid 100,000 USD for the additional share capital. It should be noted that the Company has previously recorded a provision for diminution of investment in Padaeng Industry (Laos) Co., Ltd. for the full amount of its investment.

On 5 January 2007, the Company paid 150,000 USD for the additional share capital of Padaeng Industry (Laos) Co., Ltd. in relation to the resolution on 9 August 2006 to increase the authorised share capital from 300,000 USD to 1,273,000 USD in order to meet the expenses forseen in the frame of the new exploration.

On 30 May 2007, Foreign Investment Management Committee of Laos PDR approved a conversion of loans, advances and accrued interest from Padaeng Industry Plc. of 293,000 USD to increase authorised share capital of Padaeng Industry (Laos) Co., Ltd. According to the approval, Padaeng Industry (Laos) Co., Ltd. has authorised share capital total of 1,566,000 USD. Consequently, Padaeng Industry Plc. reclassified the loans, advances and accrued interest to Padaeng Industry (Laos) Co., Ltd. and related allowance for doubtful account to investment and diminution of investment in Padaeng Industry (Laos) Co., Ltd., respectively.

2. Sila Enterprise Co., Ltd., in September 2007, the Board of Directors of Sila Enterprise Co., Ltd. passed a resolution to liquidate the company. Currently the company has stopped its commercial activities on 18 October 2007. The subsidiary's management will begin the process to obtain shareholders approval to liquidate the subsidiary.

3. Padaeng International Mining Co., Ltd., in August 2005, the Board of Directors of Padaeng Industry Plc. passed a resolution to complete the liquidation process of Padaeng International Mining Co., Ltd. As at 30 September 2007, the actual liquidation has not yet commenced.

Please be notified accordingly.

Yours truly,

- Signature -

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