

Minutes of the 2012 Annual General Meeting of Shareholders *
of
Padaeng Industry Public Company Limited

* This draft has been prepared by the Management for information only, as it has not been reviewed by the Board or approved by the Shareholders.

The Meeting was held on Thursday, 26 April 2012 at 14:00 hours, Ballroom, Queen Sirikit National Convention Center, No. 60 Ratchadapisek Road, Khlong Toei District, Bangkok 10110, Thailand.

Chairman, Mr. Arsa Sarasin, convened the Meeting, by welcoming the shareholders and introducing the Directors and Management to the Shareholders as follows:

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| 1. Mr. Arsa Sarasin | Chairman of the Board |
| 2. Mr. Vinai Vamvanij | Independent Director, Audit Committee Chairman and Strategic Committee Member |
| 3. Mr. Paron Israsena | Independent Director, Nomination and Remuneration Committee Chairman and Audit Committee Member |
| 4. Mr. Aswin Kongsiri | Independent Director, Audit Committee Member and Nomination and Remuneration Committee Member |
| 5. Mr. Pinit Vongmasa | Director and Nomination and Remuneration Committee Member |
| 6. Mr. Surapol Supradit | Director |
| 7. Mr. Vinij Ongnognun | Managing Director and Strategic Committee Member |
| 8. Mrs. Woratip Rerkpiboon | Vice President - Finance & Accounting |
| 9. Dr. Surin Tanticharoenkiat | Company Secretary |

Dr. Surin Tanticharoenkiat, the Company Secretary, reported that 467 of the Company's 7,382 shareholders were present either in person or by proxy, representing 99,828,590 of the 226,000,000 issued and paid-up shares or 44.17%. As over one third of the issued and paid-up shares were represented, the quorum was met as stipulated by the Article 32 of the Company's Articles of Association.

He then introduced the group of Auditors of the Company from PricewaterhouseCoopers ABAS Limited and also introduced Mr. Pradit Sahachaiyunta, the Financial Advisor of the Company from International Legal Counsellors Thailand Ltd. He then explained the voting procedures to the shareholders.

With the shareholders' acknowledgement and approval of the voting procedures, the Chairman proceeded to the Meeting's agenda.

I. Subject to be informed by the Chairman of the Board of Directors.

Chairman asked Company Secretary to report the shareholding position of the Company. Dr. Surin reported that as of 23 March 2012, date the share register book was closed for this Meeting, the Company had a total of 7,382 shareholders, consisting of 7,349 Thai nationals holding 173,886,840 shares or 76.94 %, and 33 foreign nationals holding 52,113,160 shares or 23.06 %.

The Audience took note of the information.

II. Approve minutes of the 2011 Ordinary Shareholders' Meeting held on 27 April 2011.

The Chairman called upon the shareholders to consider and approve the minutes of the 2011 Annual General Meeting of Shareholders, which took place on 27 April 2011.

The shareholders adopted the minutes by the votes as follows:

Approved, representing	97,836,027	votes, equivalent to	99.9994 %
Disapproved, representing	0	vote, equivalent to	0.0000 %
Abstained, representing	600	votes, equivalent to	0.0006 %

III. Annual Report of the Board of Directors for the year 2011.

Upon invitation by the Chairman, Mr. Vinij Ongnegnun, the Managing Director, presented the year 2011 performance as follows:

2011 Performance.

Important figures and events:

- Net profit for the year of 4.2 MTHB.
- Company's 2011 dividend payment @ 0.50 THB per share to be approved in the meeting.
- The Company has continued the project of Centre of Excellence: COE for the second year in order to help improving the quality of zinc die casting and galvanizing industries in Thailand by arranging seminars to transfer knowledge and new technology by Thai and foreign experts.
- Development new products in response to special customers' demand, e.g., Zinc nickel alloy with nickel content of 0.15% and 0.5%.
- The Company receives its second consecutive Green Mining Award from Department of Primary Industries and Mines, the Ministry of Industry. This shows our dedication to conserve and protect the environment and rehabilitation of Mae Sod mine.
- Latest exploration in Laos P.D.R. shows a resource of 900,000 tons of zinc ores @ 9% Zn. The Company needs further exploration to find larger resource prior to development into commercial project.
- Quarterly zinc price for the last 2 years peaked at Q1 2011 then decreased continuously to 1,900 USD per ton in Q4 2011.
- In 2010 and 2011 zinc price averaged around 2,000 USD per ton. The exchange rate was at the strong position around 30 THB/USD before weakening down to 31 THB/USD.
- Financial result was in line with zinc price. In 2006 and 2007, zinc price was around 3,000 USD per ton leading to good financial result. For 2011 the Company profit decreased significantly when compared with 2010 profit. This is mainly due to the flood which decreased the sale volume by 10%.
- Both revenue and profit for year 2011 are not good due to flood situation and world zinc price.

- In 2011 the Company shows 4 MTHB profit or 0.02 THB per share. A 0.50 THB per share dividend will be proposed to the shareholders for approval.

- No significant change in share holders' equity.

- Net cash at year end 2011 was 567 MTHB.

- Local zinc consumption has recovered from 2008-2009 economics crisis. Domestic consumption of both zinc ingot and zinc alloy increase accordingly.

- The Company has worked to increase the sale of zinc alloys which are value added product through COE and also emphasized on domestic sale. However in 2011, domestic sale decreased by 10% due to the flood whereas the exported sale is in line with 2010 figures. Exported sales are mainly to Vietnam and Indonesia.

- In 2010 and 2011 the mine did not produce at full capacity but in 2011 the mine produced more of the high quality concentrates.

- Cost structure for 2011, more than half is the cost of raw materials both for imported concentrates and Mae Sod mine. For operating expenses more than half is in electricity cost in production.

Future trend of the Company.

- Zinc price: in 2005-2007 the zinc price peaked higher than 3,000 USD/ton due to the fact that demand is higher than the supply. From 2008 onwards, the demand is smaller which leads to decrease in zinc price. For 2012 zinc consumption is still lower than zinc production but the trend is that the consumption will catch up with the production and reverse to the situation in 2005-2007. World zinc stock is at 700,000 tons higher than previous year by 200,000 tons.

- Ore reserves at Mae Sod mine is steadily decreasing and will be depleted by year 2016 or in 4 years. The Company will make full rehabilitation to return the area to its previous state. At present areas where mining activity have been completed was rehabilitated.

- Since 2006, the exploration projects were conducted domestically, in Laos P.D.R. and in Myanmar with the total investment of 352 MTHB. There will be continuous exploration but with lower investment in the same areas.

New projects.

- Lead-silver recovery project: concentrates purchased normally will contain small amount of silver. At present the silver price is high and thus justifies the investment in lead silver recovery project. The investment for the silver recovery project is estimated at 135 MTHB. Revenue for the project is estimated at 140 MTHB per year with 2 year payback period.

- Secondary materials project: The Company is studying the project of converting the electric arc furnace dust into crude zinc oxide to be used as raw materials for our zinc plant with lower cost as compared to imported concentrates. If it is feasible, this will help lower the raw materials cost for the Company.

IV. Approve the audited balance sheet and profit and loss statement for 2011.

The Chairman asked the shareholders to consider and approve the Company's 2011 audited balance sheet and profit and loss statement.

The shareholders approved the Company's 2011 audited balance sheet and profit and loss statement by the votes as follows:

Approved, representing	97,201,680	votes, equivalent to	99.0588 %
Disapproved, representing	0	vote, equivalent to	0.0000 %
Abstained, representing	923,600	votes, equivalent to	0.9412 %

V. Approve the net profit appropriation and dividend payment for 2011.

The Company Secretary reported that from Company financial Statement, the Company net profit of 41.68 million Baht, The Board then recommended the dividend payment for 2011 at 0.50 Baht per share, to be paid from the retained earnings and 2011 operation result. The dividend will be declared to the Shareholders totaling 226 million shares amounting to 113 million Baht which is higher than the normal dividend policy.

Such dividend payment at 0.50 Baht was derived from retains earning and the net profit which were subject to corporate income tax of 30% for 0.27 Baht/share and corporate income tax of 25% for 0.23 Baht/share. Therefore, the natural person shareholders shall be entitled to a tax credit according to Section 47 bis of the Revenue Code.

The Shareholders entitled to receive the dividend shall be those listed in the shareholders' Register of the Stock Exchange of Thailand as of Wednesday 9 May 2012. Also, Thursday 10 May 2012 shall be the book closing date on which the shareholders are listed as specified in Section 225 of the Securities and Exchange Act. The receipt of such dividend shall be within 10 years. And the dividend payment will be made on Wednesday 23 May 2012.

The Shareholders approved the 2011 dividend payment by the votes as follows:

Approved, representing	97,148,590	votes, equivalent to	99.0017 %
Disapproved, representing	0	vote, equivalent to	0.0000 %
Abstained, representing	979,600	votes, equivalent to	0.9983 %

VI. Elect new members of Board of Directors to replace those who resigned and retired by rotation.

The Company Secretary announced that in compliance with Article 22 of the Company's Articles of Association, among a total of 10 directors, 3 persons who are due to retire by rotation in this annual meeting are Mr. Paron Israsena, Mr. Pinit Vongmasa and Mr. Ahmad Bin Fahad.

During October-December 2011, the Company gave the minority shareholders an opportunity to propose the agenda and to propose the qualified nominee to be appointed as the director of the Company. There were also nominees proposed in the NRC meeting for consideration. The NRC had considered the qualification of all the nominees and recommended to the Board to submit the names of the 3 retiring directors to the AGM for reelection for another term.

The Board at its meeting No. 01-2012 on 21 February 2012 has considered qualifications of each nominated director and agreed with Nomination and Remuneration Committee's recommendation

that the 3 persons are knowledgeable and have experiences in the Company's line of business which would be beneficial to the Company. The Board proposed that the three retiring directors, namely, Mr. Paron Israsena, Mr. Pinit Vongmasa and Mr. Ahmad Bin Fahad be reelected to hold the position for another term.

In addition, The Board agrees with Nomination and Remuneration Committee to recommend the Shareholders to appoint Mr. Francis Vanbellen as the new director of the Company to replace the director who has resigned.

The curricula vitae of the nominated persons, number of shares held in the Company, position as Director of managerial level in the listed company and other businesses including relationship of the nominated persons appeared in attachment No. 3 of the meeting document.

The Chairman then asked the shareholders to reelect only the three Board members who retired by rotation, namely Mr. Paron Israsena, Mr. Pinit Vongmasa and Mr. Ahmad Bin Fahad as the directors of the Company for another term and appoint Mr. Francis Vanbellen as the new director of the Company to replace the director who has resigned.

The Shareholders reelected the three Board members and appointed Mr. Francis Vanbellen as the new director to replace the one who resigned with the votes as follows:

1. <u>Mr. Paron Israsena</u> , Independent director			
Approved, representing	97,158,590	votes, equivalent to	99.0063 %
Disapproved, representing	22,000	votes, equivalent to	0.0224 %
Abstained, representing	953,100	votes, equivalent to	0.9713 %
2. <u>Mr. Pinit Vongmasa</u> , director			
Approved, representing	97,158,590	votes, equivalent to	99.0063 %
Disapproved, representing	22,000	votes, equivalent to	0.0224 %
Abstained, representing	953,100	votes, equivalent to	0.9713 %
3. <u>Mr. Ahmad Bin Fahad</u> , director			
Approved, representing	96,563,290	votes, equivalent to	98.3997 %
Disapproved, representing	665,300	votes, equivalent to	0.6780 %
Abstained, representing	905,100	votes, equivalent to	0.9223 %
4. <u>Mr. Francis Vanbellen</u> , director			
Approved, representing	97,228,590	votes, equivalent to	99.0777 %
Disapproved, representing	0	vote, equivalent to	0.0000 %
Abstained, representing	905,100	votes, equivalent to	0.9223 %

VII. Approve the 2011 annual remuneration of the Board;

The Company Secretary announced that the Nomination and Remuneration Committee, after taking into consideration the payment in the similar business, had proposed that the bonus payment for the year 2011 to be maintained at the previous level which would not exceed 1 percent of the dividend distributed to the shareholders. The total amount is 1,130,000 Baht.

In addition, the Company Secretary informed the shareholders of the Directors' remuneration and subcommittees' remuneration which had been previously approved in AGM 1998, 2000 and 2006 meeting.

The Shareholders approved the 2011 annual remuneration of the Board with the votes as follows:

Approved, representing	97,171,580	votes, equivalent to	99.0170 %
Disapproved, representing	7,000	votes, equivalent to	0.0071 %
Abstained, representing	957,600	votes, equivalent to	0.9758 %

VIII. Appoint the Company's auditors for the year 2012 and approve the audit fees:

The Company Secretary reported that for 2012 Audit Committee proposed that Mr.Chanchai Chaiprasit Certified Public Accountant (Thailand) No. 3760, who has audited, gave suggestion and signed the Financial Statement of the Company, as the auditor, for 2 years, Mrs. Anutai Poomsurakul Certified Public Accountant (Thailand) No. 3873 and Mr. Pisit Thangtanagul Certified Public Accountant (Thailand) No. 4095 of PricewaterhouseCoopers ABAS Limited be appointed as the Group's auditors for the year 2012, any one of them being authorized to conduct the audit and express an opinion on the financial statements of the Group. In the absence of the above-named auditors, PricewaterhouseCoopers ABAS Limited is authorized to identify one other Certified Public Accountant within PricewaterhouseCoopers ABAS Limited to carry out the work. The proposed audit fee for the year 2012 of 3,366,000 Baht.

The shareholders approved the appointment of the Company's auditors for the year 2012 and the audit fee for the year 2012 of 3,366,000 Baht as follows:

Approved, representing	97,470,980	votes, equivalent to	99.1636 %
Disapproved, representing	0	vote, equivalent to	0.0000 %
Abstained, representing	822,100	votes, equivalent to	0.8364 %

IX. Other matter

- None -

The Chairman invited the shareholders to comment and ask questions. Shareholders inquired about the impact of zinc price, higher electrical cost and the increase in minimum wages on the Company financial performance. Other questions are on the exploration projects, domestically, in Laos P.D.R. and in Myanmar. Finally few questions are asked on Company's future policy and direction to try to improve the result of the Company.

Suggestions by shareholders were taken into consideration and all questions have been answered by the MD and the members of the Board.

As there were no further comments, the Chairman called the Meeting adjourned at 15.05 hours.

Chairman of the Meeting

(Arsa Sarasin)
Chairman of the Board

(Surin Tanticharoenkiat)
Company Secretary