

Ref. PDI/BK-BS-060/2016

7 November 2016

To : President  
The Stock Exchange of Thailand

RE.: Hedging to protect Padaeng's income against any fluctuation in LME zinc price.

In the Board meeting on 7 November 2016, the Board acknowledged that PDI has up to date sold forward 6,000 tons of the 2017 zinc production at an average LME price of 2,351 USD/ton. This operation corresponds to the coverage of 35% of Padaeng's expected 2017 production from Mae Sod mine.

This forward sale is to protect Padaeng's income against fluctuation in LME zinc price. While these strategic hedging transactions will prevent the company from taking advantage of any further upside on the tonnage hedged, the Company will in any case lock-in an acceptable return for its shareholders and be protected against future drops of the zinc price in 2017.

Please be informed accordingly.

Yours truly,

- Signature -

(Surin Tanticharoenkiat)  
Company Secretary

Board Secretary Division  
Tel. 0 2695 9499 Ext. 9335, 9331  
Fax. 0 2695 9495