

Ref. PDI/BK-BS-051/2016

28 July 2016

To: President
The Stock Exchange of Thailand

Re.: Press release: "PDI ceased its zinc ore production from Mae Sod Mine."

Attached please find the Company's press release dated 27 July 2016 on "PDI ceased its zinc ore production from Mae Sod Mine".

Please be notified accordingly.

Yours truly,

- Signature -

(Surin Tanticharoenkiat)
Board Secretary

Board Secretary Division
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Press Release

Padaeng Industry Public Company Limited

July 27, 2016

For further information

Communication

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PDI ceased its zinc ore production from Mae Sod Mine.

- **Mae Sod Mine finished its operations in June.**
- **Mine rehabilitation intensifies to create abundant forest for further development under the Royal initiative.**

Mr. Francis Vanbellen, Managing Director of Padaeng Industry Public Company Limited or PDI, said "Our Mae Sod Mine concluded its 32 years long sustainable operations in June due to the depletion of the ore reserves. This year PDI produced its last 140,000 tons of zinc silicate ore. As from now the Company will finalize the mine rehabilitation plan and converse the mine into an abundant forest, before returning it to the Royal Forestry Department in 2017. To assure sustainable management of the site, it will be further developed under the Royal initiative project. Additionally, PDI will invest in the Padaeng Zinc Mine Museum and a Pagoda, with expected completion within next year."

PDI will sustain its supply of zinc metal to customers.

Mr. Vanbellen added that the zinc silicate ore produced from the Mae Sod Mine will be refined as usual in the Tak Smelter. In 2016, PDI will produce and sell 70,000 tons of zinc metal. The supply of zinc metal from our own mine to our loyal customers will continue in 2017. The company is studying to sustain supply from imported zinc metal in the future.

PDI prepares the Tak site for industrial waste management.

Mr. Vanbellen said that the Company is preparing an integrated industrial waste management project on its Tak location, under a joint venture with DOWA Eco-System Co., Ltd. (subsidiary of DOWA Holdings Co., Ltd.). In close collaboration with the Department of Industrial Works, PDI explores the feasibility to implement an industrial waste management process, solving industrial waste problems in the North and West of Thailand. The project is able to treat at least 50,000 tons per year. Operations are expected to go live by the end of 2018, with the EHIA permitting process being the critical path on the timeline.

General Information

Padaeng Industry Public Company Limited, or PDI, was founded April 10th, 1981 and introduced at the Stock Exchange of Thailand with a registered capital of Baht 2,260 million. The Company has produced high quality zinc for over 30 years. It has specialized in producing special high-grade zinc ingot and zinc alloys used in the galvanizing and die-casting industries.

In 2014, PDI reassessed its business structure in anticipation of a shift towards Green Business, with the objective to increase eco-efficiency and to foster sustainable growth. The company is structured around three businesses: PDI Energy – providing energy from renewable resources; PDI Materials – providing added value materials from recycling; and PDI Eco – providing raw materials from waste and eco management of waste.