

(Translation)

**Minutes of the Annual General Meeting of Shareholders for the Year 2004
Of
Banpu Public Company Limited
No. Bor. Mor. Jor. 152**

Date of the Meeting: Wednesday, 28 April 2004 at 2.30 p.m.

Venue of the Meeting: The Company's head office at 27th Floor, Thanapoom Tower, No. 1550 New Petchburi Road, Makkasan, Ratchathewi, Bangkok.

Chairman: Mr. Chira Panupong, Chairman of the Board

Attendants: There were 71 persons attending the meeting, consisting of:
41 shareholders, representing 23,036,338 shares, and
30 proxies attending on behalf of 458 shareholders, representing 115,624,991 shares,
totaling 138,661,329 shares out of the total of 271,747,855 issued shares, or
equivalent to 51.02 per cent of the total issued shares.

The quorum was constituted in accordance with the law and the Articles of Association.

The Chairman welcomed the shareholders and introduced the following directors and the auditor to the Meeting:

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|--------------------------------|--|
| 1. Mr. Chira Panupong, | Chairman of the Board, |
| 2. Mr. Soonthorn Vongkusolkit, | Vice Chairman |
| 3. Mr. Manus Leeviraphan | Independent Director / Chairman of the Audit Committee |
| 4. Ms. Sukon Kanchanalai | Independent Director / Chairwoman of the Compensation Committee |
| 5. Dr. Korp Kritayakirana | Director / Chairman of the Corporate Governance and Nomination Committee |
| 6. Mr. Chanin Vongkusolkit | Director and Chief Executive Officer |
| 7. Mr. Montri Mongkolswat | Independent Director |
| 8. Mr. Somdee Chareonkul | Director |
| 9. Mr. Vitoon Wongkusolkit | Director |
| 10. Mr. Sawatdiparp Kantatham | Director |
| 11. Mr. Metee Auapinyakul | Director |
| 12. Mr. Ongart Auapinyakul | Director |
| 13. Mr. Prachuab Trinikorn | Secretary to the Board |

In addition, there were 2 representatives of the auditor from PricewaterhouseCoopers ABAS attending the meeting.

Prior to the commencement of the meeting, the Chairman advised the Meeting of the governing rules for shareholder meetings including the voting process for the business agenda as appear in the Enclosure No. 4. The Chairman encouraged shareholders to ask questions and queries, and then clarified the same to their thorough satisfaction. Then, the Chairman commenced the meeting and conducted the following business agenda.

1. To adopt the minutes of the Extraordinary General Meeting of Shareholders No. 1/2004

The Chairman informed the Meeting of the opinion of the Board of Directors that the minutes of the Extraordinary General Meeting of Shareholders No. 1/2004, which was held on 23 February 2004, had been prepared to correctly reflect the resolutions passed by the said Shareholder Meeting, and that the Meeting adopt the said minutes of the Extraordinary General Meeting of Shareholders No. 1/2004. The

Chairman, therefore, proposed the Meeting to consider the minutes of the Extraordinary General Meeting of Shareholders No. 1/2004, the copy of which had been sent to the shareholders together with the notice of this meeting as per the Enclosure No. 2.

The Chairman invited the shareholders to ask questions and queries, but no questions were raised.

After due consideration, the Meeting passed a resolution to approve the minutes the Extraordinary General Meeting of Shareholders No. 1/2004 by the following voting:

<u>138,461,329</u>	approving votes
<u> none</u>	disapproving votes
<u>200,000</u>	abstaining votes

2. To acknowledge the performance of the Company for the year ended on 31 December 2003

The Chairman informed the Meeting that the Company had prepared the report of the Board on the performance of the Company for the year 2003, which the Board of Directors considered correct and adequate, and that the Meeting approve the annual report of the Board of Directors for the year 2003 and acknowledge the performance of the Company for the year 2003. The Chairman explained that during the previous year, the Company had continued to grow strategically as to strengthen the two core businesses, namely coal and power businesses, resulting in the total sales increasing by 14%, attributable to a 6% increase in coal sales volume and a 7% increase in coal prices. Thus, the profits from operations combined with the gain derived from the restructuring of the power business and the divestment of non-core businesses yielded a net profit of 2,046 Million Baht, representing an earning of 7.75 Baht per share, or 97% increase from the previous year.

Owing to the Company's positive operational results and the restructuring of its power business as well as the sound financial management, the Company has had a stronger financial position with a net debt-to-equity ratio of as low as 0.28. With respect to the administration, the Company has improved its management practices to multinational level by focusing on transparent management and good corporate governance, and developing human resources and computer system, which would better enhance the Company's competitiveness to the global market. Moreover, following the development of new coal mines and the expansion of coal markets, and supported by the favorable market conditions, the Company was confident to outperform in the succeeding years and to grow continuously, which would eventually increase the value to the shareholders and all stakeholders. Afterwards, the Chairman invited the Chief Executive Officer to explain the details of the performance of the Company.

Mr. Chanin Vongkusolkit, the Chief Executive Officer, explained the details of the performance by the Company during the year 2003 as elucidated in the annual report of the Board of Directors for the year 2003, which had been sent to the shareholders together with the notice of this meeting as per the Enclosure No. 2. He concluded that the year 2003 was another step towards transitioning the Company to a leading energy player in the Asian region. The Company has expanded the market bases both in Asia and Europe, and commenced the investment in the coal business in the People's Republic of China. Under the increasingly competitive circumstances, the Company has improved its efficiency while continuing to grow its two core businesses, coal business and power business, with the aim to enhance the value qualitatively under the good corporate governance framework for the better returns to the shareholders.

In 2003, the Company's market capitalization was triple as much as in 2002, resulting from the implementation of its strategic plan by enhancing values to the coal business in Indonesia. This was achieved by increasing equity interest in Indominco Coal Mine from 65% to 100%, and by hiring an independent appraiser to assess the coal reserves and quality of coal deposits. It was reported that there were more than 170 million tones of coal reserves and 139 million tones of coal resources. Moreover, in September 2003, the Company undertook an initial investment in coal mines in China, which could

be said the first step towards the development of the coal production base in the high potential market in the Asian region. In the same month, BLC Power Limited, the operator of a 1,434 MW coal-fired power plant, in which the Company holds 50% equity interest, had successfully acquired the project financing of USD 1.1 Billion, and disbursed the facilities for the construction of the power plant, scheduled for commercial operation in October 2006. In addition, the Company clearly restructured its investment portfolio by divesting 37.5% equity interest in Tri Energy Company Limited as well as the claims on loans granted to it for the total price of 2.1 Billion Baht. Other assets and investments in non-core businesses had been gradually realized, the proceeds from which would be used for reinvesting in coal business and repaying loans to financial institutions. As a result, the Company has had a stable financial position with the capability to future investment opportunities while affording to pay dividends to the shareholders consistently.

For the performance of 2003, the Company had the total assets of 33,993 Million Baht, increased by 10,423 Million Baht or equivalent to 44%. The increase was attributable mainly to cash increase and mark-to-market price of investment in listed companies. The total debts stood at 11,637 Million Baht, 9,441 Million Baht of which was booked as bank loans, rendering the net debt-to-equity ratio at only 0.28, compared to 1.20 of the previous year. The decrease of the net debt-to-equity ratio resulted from the repayment of loans and debentures amounting to 6,975 Million Baht, and from the increase in the equity, which was derived from the increase in the retained earnings and the mark-to-market revaluation of the long-term investments. The total revenue from sales was reported at 12,482 Million Baht, increased by 1,574 Million Baht or equivalent to 14% compared to the previous year, which was resulting from a 6% increase in coal sales volume and a 7% increase in coal prices. The gross profit was at 3,604 Million Baht due to the coal sales increase and the effective cost reduction program at Indominco coal mine operation. The gross profit margin jumped to 29% from 26% of the same period of the previous year, rendering the net profits at 2,046 Million Baht, 145% or 1,212 Million Baht higher than the previous year, attributable to the divestment of Tri Energy Company Limited and the capital gain from sales of partial investment in Aromatics (Thailand) Pcl. Thus, the earning per share was at 7.75 Baht per share, or 97% increase from the previous year, which earned 3.93 Baht per share. Other details were described in the annual report of the Board of Directors for the year 2003. Therefore, the Meeting was requested to acknowledge the performance of the Company for the year ended on 31 December 2003 and approve the annual report of the Board of Directors for the year 2003.

The Chairman invited the shareholders to ask questions and queries, but no questions were raised.

After due consideration, the Meeting passed a resolution to acknowledge the performance of the Company for the year ended on 31 December 2003 and approve the annual report of the Board of Directors for the year 2003 by the following voting:

<u>138,249,729</u>	approving votes
<u> none</u>	disapproving votes
<u>411,600</u>	abstaining votes

3. To approve the audited balance sheet and the profit and loss statement for the year ended on 31 December 2003

The Chairman informed the Meeting that the Company had prepared the balance sheet and the profit and loss statement for the year ended on 31 December 2003, which was duly audited, that the Board and the Audit Committee considered it to be correct, complete and adequate in accordance with the general accounting principles, and that the Meeting approve the audited balance sheet and the audited profit and loss statement for the year ended on 31 December 2003. The Chairman explained that according to the said balance sheet and the profit and loss statement on the consolidation basis as illustrated in the Section "Financial Statements" of the annual report, the Company had, as of 31 December 2003, the total assets of 33,992.975 Million Baht, the total liabilities of 11,637.487 Million Baht, and the total equity of 22,355.488 Million Baht. The total revenue from sales was 12,482.256 Million Baht, resulting

in the gross profit of 3,603.886 Million Baht and the net profit of 2,046.336 Million Baht. The earning per share was, then, 7.75 Baht. Other details were described in the said balance sheet and the profit and loss statement. The Chairman, therefore, proposed the Meeting to consider and approve the audited balance sheet and the audited profit and loss statement for the year ended on 31 December 2003.

The Chairman invited the shareholders to ask questions and queries, but no questions were raised.

After due consideration, the Meeting passed a resolution to approve the audited balance sheet and the audited profit and loss statement for the year ended on 31 December 2003 by the following voting:

<u>138,249,729</u>	approving votes
<u> none</u>	disapproving votes
<u> 411,600</u>	abstaining votes

4. To approve the annual dividend payment

The Chairman informed the Meeting of the dividend payment policy of the Company that it would pay out dividends to shareholders when:

1. The performance of the Company was positive;
2. The Company had no retained loss;
3. Cash flow was sufficiently available for the dividend payment;
4. The dividend payment was subject to various investment projects.

In the present year, the Company earned profits, had no retained loss and held sufficient cash flow to pay dividends. Taking into account the investment projects, the Board considered that the Company pay the annual dividend for the period during 1 January – 31 December 2003 at the rate of 4.00 Baht per share, 1.50 Baht of which was already paid as interim dividend on 22 September 2003, and the remaining of 2.50 Baht of which would be further paid out of the retained earnings and the profits from the operation during the period of 1 July 2003 – 31 December 2003. The dividends would be payable to the shareholders whose names appear on the shareholder register book as of 8 April 2004, which would be appropriated from the profits derived from the business operation under the BOI privileges at the rate of 0.60 Baht per share and from the non-BOI business operation at the rate of 1.90 Baht per share. The payment would be made on 7 May 2004. The Chairman, therefore, proposed the Meeting to consider and approve the payment of the annual dividends as recommended by the Board. No appropriation of the profits to the legal reserve was required since the legal reserve has already reached 10% of the registered capital according to the laws.

The Chairman invited the shareholders to ask questions and queries, but no questions were raised.

After due consideration, the Meeting passed a resolution to approve the payment of the annual dividends as recommended by the Board by the following voting:

<u>138,461,329</u>	approving votes
<u> none</u>	disapproving votes
<u> 200,000</u>	abstaining votes

5. To consider the appointment of directors and fix their remunerations

5.1 Approval of the appointment of directors in place of the retiring ones.

The Chairman informed the Meeting that in accordance with clause 17 of the Articles of Association, one-third of the total number of Directors shall be required to vacate their offices by rotation at every

general meeting of shareholders. If the number of directors is not a multiple of three, the number of directors closest to one-third shall vacate their offices. Directors who have been in offices for the longest shall retire from their offices. A retiring director is eligible for reelection.

In the present year, there were 4 directors who had to retire by rotation, namely Mr. Somdee Chareonkul, Mr. Sawatdiparp Kantatham, Ms. Sukon Kanchanalai and Dr. Kopr Kritayakirana. The Board and the Nomination Committee had considered and been of the opinion that all four retiring directors were knowledgeable, capable and had dedicated their efforts to the interest of the Company and the shareholders, and that due to their appropriateness, the Shareholder Meeting reelect all of them to be directors for another term. In addition, they proposed Dr. Kopr Kritayakirana, whose qualification and independency are conforming to the notification and regulations of the SET, to be an independent director of the Company. The credentials and background of the proposed persons were as follows:

1. Name: **Mr. Somdee Chareonkul**
Age: 72
Nationality: Thai
Education: - M.P.A. (Public Administration), University of Pittsburgh, U.S.A.
- M.S., University of Southern California, U.S.A.
- B. Commerce & Accounting, Thammasat University
Present positions: - Director / Member of Compensation Committee and Nomination Committee/ Advisor of Banpu Pcl.
- Director of Thai Charoen Insurance Pcl.
Directorship in Banpu: - from 1992 - present
Meeting attendance: - Board meetings in 2002 & 2003: 16/16 and 13/13 times
- Nomination Committee meetings in 2002 & 2003: 5/5 and 5/5 times
- Compensation Committee meetings in 2002 & 2003: 3/3 and 9/9 times
2. Name: **Mr. Sawatdiparp Kantatham**
Age: 64
Nationality: Thai
Education: - B.A. (Economics), Hanover College, Indiana, U.S.A.
- Program on Investment Appraisal and Management, Harvard University Graduate School of Business Administration, Massachusetts, U.S.A.
Present positions: - Director / Member of Compensation Committee and Nomination Committee of Banpu Pcl.
- Senator
Directorship in Banpu: - from 1983 - present
Meeting attendance: - Board meetings in 2002 & 2003: 16/16 and 12/13 times
- Nomination Committee meetings in 2002 & 2003: 5/5 and 5/5 times
- Compensation Committee meetings in 2002 & 2003: 3/3 and 9/9 times
3. Name: **Ms. Sukon Kanchanalai**
Age: 71
Nationality: Thai
Education: - Advanced Study Graduate School of Accounting, Wharton School of Finance, University of Pennsylvania, Philadelphia, U.S.A.
- B. Accounting, Chulalongkorn University
Present positions: - Independent director / Member of Audit Committee / Chairwoman of Compensation Committee and Nomination Committee of Banpu Pcl.
- Law Councilor of the Council of State
Directorship in Banpu: - from 1997 – present
Meeting attendance: - Board meetings in 2002 & 2003: 16/16 and 13/13 times
- Nomination Committee meetings in 2002 & 2003: 5/5 and 5/5 times
- Compensation Committee meetings in 2002 & 2003: 3/3 and 9/9 times
- Audit Committee meetings in 2002 & 2003: 6/6 and 8/8 times

4. Name:	Dr. Kopr Kritayakirana
Age:	64
Nationality:	Thai
Education:	- Ph.D. (Physics), Harvard University, U.S.A. - B.Sc (Physics), Chulalongkorn University
Present positions:	- Director of Banpu Pcl. - Director of Thai Reinsurance Pcl. - Director of Siam Panich Leasing Pcl. - Director of Sicco Securities Pcl.
Directorship in Banpu:	- from August 2003 - present
Meeting attendance:	- Board meetings in 2003: 6/6 times
Others:	- No shareholding in Banpu Pcl. - Not being employed by Banpu Pcl. - Not being a close relative to directors, management and major shareholders of Banpu Pcl.

The 4 persons had neither been punished, dismissed or removed on the ground of dishonest performance, nor been imprisoned for an offense related to property committed with dishonest intent, nor engaged in the business or become a partner or shareholder in the business which has the same nature as, and is in competition with, the business of the Company.

The Chairman, therefore, proposed the Meeting to consider and approve the re-election of the 4 retiring directors for another term, and appoint Dr. Kopr Kritayakirana to be an independent director of the Company.

The Chairman invited the shareholders to ask questions and queries, but no questions were raised.

After due consideration, the Meeting passed a resolution to approve the re-election of the 4 retiring directors for another term, and appoint Dr. Kopr Kritayakirana to be an independent director of the Company by the following voting:

<u>138,062,729</u>	approving votes
<u> none</u>	disapproving votes
<u> 598,600</u>	abstaining votes

5.2 Approval of the directors' remunerations

The Chairman informed the Meeting that according to Section 90 of the Public Limited Company Act B.E. 2535, no company shall pay money or give any property to any director unless it is a payment of remuneration under the articles of association of the company.

In addition, clause 30 paragraph 1 of the Articles of Association of the Company states that directors are eligible to remuneration, which may be paid in one or more or all forms of monthly cash payment, meeting allowance, per diem, bonus, welfare, securities of the Company or benefits of other natures, etc., provided that they shall be determined by a shareholder meeting. The shareholder meeting may either fix the amount of remuneration or consider to fix the remuneration from time to time or set up the criteria for the remuneration or effect the remuneration perpetually until it is changed.

The Board and the Compensation Committee had considered and been of the opinion that the Shareholder Meeting fix the remunerations to the directors as follows:

1. Annual remunerations of 10,250,500 Baht to all directors for the year 2003;
2. Meeting allowances to the Board and all the committee for the year 2004:
 - 2.1 Meeting allowances to the Board to be payable per meeting to the Chairperson at the rate of 50,000 Baht, the Vice-Chairperson 44,000 Baht and each of the other Directors 40,000 Baht;

- 2.2 Meeting allowances to the Audit Committee to be payable per meeting to the Chairperson at the rate of 37,500 Baht and each of the other committee members 30,000 Baht;
- 2.3 Meeting allowances to the Corporate Governance and Nomination Committee and the Compensation Committee to be payable per meeting to the Chairperson at the rate of 15,000 Baht and each of the other committee members 12,000 Baht.

The Chairman proposed the above matter to the Meeting for consideration. However, the Chairman added that the shareholders who were directors of the Company holding in aggregate of 11,657,693 shares, were deemed interested in the fixing of directors' remunerations, and that they were not eligible to voting for the approval of the remunerations to the directors.

The Chairman invited the shareholders to ask questions and queries, but no questions were raised.

After due consideration, the Meeting passed a resolution to approve the remunerations to the directors as proposed by the Board of Directors and the Compensation Committee by the following voting:

<u>126,405,036</u>	approving votes
<u>none</u>	disapproving votes
<u>598,600</u>	abstaining votes

6. To appoint an auditor and fix his/her remuneration

The Chairman informed the Meeting that in accordance with clause 41 of the Articles of Association, which says that an annual general meeting shall act upon the following:

- (5) To appoint the Company Auditor and to fix the remuneration.

Referring to the Section "Audit Committee's Report" of the annual report, which had been sent to the shareholders together with the notice of this meeting as per the Enclosure No. 3, the Board and the Audit Committee proposed the Meeting to appoint the auditor and fix the audit remuneration for the accounting year ended on 31 December 2004. The proposed auditor was either Ms. Nangnoi Charoentaveesup of CPA No. 3044 and/or Ms. Anothai Leekijwattana of CPA No. 3442 and/or Mr. Prasarn Cheungpanich of CPA No. 3051, of PricewaterhouseCoopers ABAS. The total audit remuneration for the audit of the Company and the subsidiaries was proposed at 2,596,000 Baht, out of which 1,650,000 Baht was allocated to the Company. The Chairman, then, requested the Meeting to consider and approve the appointment of the auditor and the audit fee.

The Chairman invited the shareholders to ask questions and queries, but no questions were raised.

After due consideration, the Meeting passed a resolution to appoint the auditor and fix the audit fee as proposed by the Board of Directors and the Audit Committee by the following voting:

<u>138,062,729</u>	approving votes
<u>none</u>	disapproving votes
<u>598,600</u>	abstaining votes

7. To consider and approve the amendment to the Article 3 (Business Objectives) of the Memorandum of Association of the Company

The Chairman informed the Meeting that the Board had considered to have the Company's business objectives cover the entering into financial transactions with the purpose to control or prevent risk exposures which might arise from the fluctuation of foreign exchange, interest rate, price of goods and assets. Therefore, the Board proposed the Meeting to consider and approve the amendment to the

Article 3 (Business Objectives) of the Memorandum of Association of the Company by adding one new business objective from 20 existing items to 21 items. The new item No. 21 was read as follows:

“No. 21. To enter into juristic acts or contracts as to control or prevent risk exposures arising from fluctuation of foreign exchange, interest rate, price of goods and assets.”

One shareholder asked how the Company prepared itself to deal with the above matter since there was a possible exposure to loss from the hedging.

Mr. Chanin Vongkusolkit, the Chief Executive Officer, clarified that the Company had undertaken and assigned the working team to monitor risk exposures from fluctuation of foreign exchange and interest rate. The working team in charge was required to get an approval from the Board before taking any actions, and to report the outcome to the Board from time to time. It could be said that the Company had been well prepared to handle the said issue. However, the proposition made to the Meeting was intended to cover the risk exposures from fluctuation of the prices of goods and assets. The transactions to control or prevent risk exposures arising from fluctuation of foreign exchange, interest rate and price of goods and assets would not be aimed for profit-making purpose, but for mitigating business risks of the Company. Since the Company has offshore investments, multi-currency facilities and offshore revenues from coal sales, it was expedient to have a risk controlling mechanism in order to prevent or mitigate any risks to the business of the Company.

The shareholders asked for details and raised certain queries, and the Chairman then clarified the same to their thorough satisfaction.

After due consideration, the Meeting passed a resolution to approve the amendment to the Article 3 (Business Objectives) of the Memorandum of Association of the Company by adding one new business objective from 20 existing items to 21 items as proposed by the Chairman, by the following voting:

<u>138,007,329</u>	approving votes
<u> none</u>	disapproving votes
<u> 654,000</u>	abstaining votes

8. Other businesses (if any)

The Chairman advised that this agenda was provided for shareholders to ask questions and/or for directors to clarify any queries of the shareholders (if any). No matters would be proposed for consideration and approval, and therefore, no voting would be made.

The Chairman informed the Meeting that the Company would prepare the minutes of the Annual General Meeting of Shareholders for the year 2004 within 14 days from the date of the meeting, which would be posted on the Company’s website: www.banpu.co.th.

The Chairman asked whether there were any questions to be raised, but no one proposed. Thus, the Chairman declared the meeting adjourned.

The meeting adjourned at 3.40 p.m.

Signed _____ (signature) Chairman
(Mr. Chira Panupong)